

Customarq Series

Commercial Coverage For

**Participating members of the Prospectors and Developers Association
(See Form 80-02-1408)**

Producer:

Partners Indemnity - PDAC Affinity Group
10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Chubb Servicing Office:

Chubb Insurance Co. of Canada
1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

How To Report A Loss

To assist you in reporting a loss, the following procedure has been set up to allow you to notify us.

Loss Notification

Should you have a loss contact your agent/broker in writing or by telephone as soon as possible:

Agent/Broker Name: **Partners Indemnity - PDAC Affinity Group**

Address: **10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3**

Telephone No: **4163665243**

Agent/Broker Unavailable

If for any reason you are unable to reach your agent/broker please contact our Claim department in writing or by telephone as soon as possible:

CHUBB INSURANCE CO. OF CANADA
Company Address: **One Financial Place
1 Adelaide Street East
Toronto, Ontario
M5C 2V9**

Telephone No: **1-800-532-4822 (Toll Free)**

Fax No: **1-800-511-8282**

If you are reporting a loss by telephone, you can contact us between the hours of 8:30 a.m. to 4:30 p.m. Monday to Friday.

Emergency

If you are unable to contact your agent/broker or our office and it is an emergency situation, the following toll free number is available during non business hours.

Telephone No: **1-800-532-4822**

Premium Bill

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

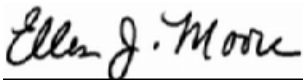
Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

Date Payment Due

Premium

February 01, 2008

\$



President

Table Of Contents

This Table Of Contents is provided to acquaint you with the overall organization of this policy.

POLICY ORGANIZATION

Insuring Agreement

Premium Summary

Property Insurance Section

Property Schedule of Forms and Declarations

Property Contracts*

Property Endorsements

Liability Insurance Section

Liability Schedule of Forms and Declarations

Liability Contracts*

Liability Endorsements

Crime Insurance Section

Crime Schedule of Forms and Declarations

Crime Contracts*

Common Policy Conditions

*Note: Each contract within a section has its own Table Of Contents to facilitate your use of them.

Insuring Agreement

Chubb Insurance Co. of Canada

1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

Effective Date: **February 1, 2008**

Policy Number: **37112888**

Named Insured and Mailing Address:
Participating members of the Prospectors and
Developers Association (See Form 80-02-1408)
34 King Street East
Toronto, Ontario
M5C 2X8

Producer Name and Mailing Address:
Partners Indemnity - PDAC Affinity Group

10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Producer No.: **04803-000**

Policy Period

Insurance is issued by the Chubb Insurance Company of Canada in consideration of payment of the required premium.

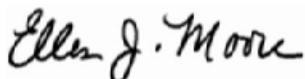
This policy is issued for the period 12:01 AM standard time at the Named Insured's mailing address shown above:

From: **February 1, 2008** To: **February 1, 2009**
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Your acceptance of this policy terminates, effective with the inception of this policy, any prior policy of the same number issued to you by us.

This Insuring Agreement together with the Premium Summary, Schedule of Forms, Declarations, Contracts, Endorsements and Common Policy Conditions comprise this policy. If this policy is a renewal, we have only reissued to you those policy documents containing changes from your previous policy period coverages and any new additional coverages or policy provisions. All other policy documents continue in effect.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.



President

Premium Summary

Chubb Insurance Co. of Canada
1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

Effective Date: February 1, 2008

Policy Number: 37112888

Named Insured and Mailing Address:
Participating members of the Prospectors and
Developers Association (See Form 80-02-1408)
34 King Street East
Toronto, Ontario
M5C 2X8

Producer Name and Mailing Address:
Partners Indemnity - PDAC Affinity Group
10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Producer No.: 04803-000

Policy Period

From: February-01-2008

To: February-01-2009

12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium Payment

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

Estimated Premiums

Premiums shown in this summary with an asterisk (*) are estimated premiums and are subject to audit.

For each audit period we will compute the earned premium for that period based on our audit. If as a result of our audit additional premiums are due, they are payable upon notice to the First Named Insured. If the premium paid is greater than the earned premium, we will return the excess to the first Named Insured. The audit period will be determined by the company and will be that period of time which we deem appropriate for adjustment of those policy premiums which are subject to audit. The first Named Insured must keep records of the information we need to perform the audit and send us copies at such times as we may request.

Coverage	Premium*
Property Insurance Section	\$
Liability Insurance Section	\$
Crime Insurance Section	\$
TOTAL PREMIUM	\$

Ellen J. Moore

President

Property Insurance

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

The following is a schedule of forms issued with the policy at inception:

Form Number	Form Name
80-02-0005	Property Declaration
80-02-1016	Accounts Receivable
80-02-1017	Electronic Data Processing Property
80-02-1019	Fine Arts
80-02-1021	Personal Property in Transit
80-02-1023	Valuable Papers
80-02-1033	Property Insurance - Building & Personal Property
80-02-1035	Property Insurance - General Provisions
80-02-1037	Extra Expense
80-02-1080	Contractors' Equipment
80-02-1303	Additional Peril - Earthquake
80-02-1307	Additional Peril - Flood
80-02-1357	Basement or Surface Water Deductible or Waiting Period
80-02-1380	Total Boiler & Machinery Exclusion
80-02-1410	Laptop Computer Coverage
80-02-1473	Special Electronic Data Provisions
80-02-1475	Amended Civil Authority - Essential
80-02-1476	Special Business Income And Extra Expense Provisions – Biological Agents – Essential
80-02-1477	Special Property Provisions – Biological Agents – Essential
80-02-4000	A- Amended Definition Contractors Equipment
80-02-4000	B- In Transit Exclusions
80-02-4000	C- Amended Coverage Territory
80-02-4048	Property Terrorism Exclusion
80-02-4052	Loss Payee and/or Mortgagee Schedule
80-02-1408	Named Insured
80-02-9090	Common Policy Conditions

Property Insurance

Declarations

Chubb Insurance Co. of Canada
1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

Effective Date: February 1, 2008

Policy Number: 37112888

Named Insured and Mailing Address:
Participating members of the Prospectors and
Developers Association (See Form 80-02-1408)
34 King Street East
Toronto, Ontario
M5C 2X8

Producer Name and Mailing Address:
Partners Indemnity - PDAC Affinity Group
10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Producer No.: 04190-000

Policy Period

From: February-01-2008

To: February-01-2009

12:01 A.M. standard time at the Named Insured's mailing address shown above.

PROPERTY DEDUCTIBLE: \$1,000
EXCEPT: 10% of Insured Value Any unit valued at \$250,000 or greater

The deductible shown above applies to all coverages, except Laptop Computers – Worldwide, Business Income and Extra Expense, contained within the Property Insurance Section of this policy.

The following displays the premises covered under this insurance:

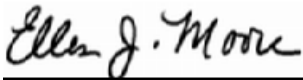
Limit of Insurance Premises Location(s) and Coverage(s)

As per Certificate of Insurance

\$	Building
\$	Personal Property
\$	Electronic Data Processing Property
\$	Extra Expense
\$	Accounts Receivable
\$	Valuable Papers
\$	Fine Arts

\$ Laptop Computers – Worldwide
\$ Contractors' Equipment
\$ Personal Property in Transit
\$ Electronic Data Processing Property in Transit
\$ Exhibition, Fair or Trade Show – Personal Property

All other terms and conditions remain unchanged.



President

Property Insurance

Accounts Receivable

Table of Contents

<i>Coverage</i>	<i>2</i>
<i>Extension Of Coverage</i>	<i>2</i>
<i>Additional Coverages</i>	<i>2</i>
<i>Exclusions</i>	<i>4</i>
<i>Limits Of Insurance</i>	<i>5</i>
<i>Deductible</i>	<i>5</i>
<i>Loss Payment Determination</i>	<i>5</i>
<i>Conditions (Including Coverage Territory)</i>	<i>6</i>

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Accounts Receivable

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Accounts Receivable shown in the Declarations.

The loss or damage must occur at, or within 300 meters of, the premises shown in the Declarations, unless otherwise stated.

The following extension of coverage is included under your coverage for **accounts receivable** and is subject to the applicable Limit Of Insurance for Accounts Receivable shown in the Declarations.

Extension Of Coverage

Removal

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** while they are:

- being moved to another location or returned from such location to their original location; or
- temporarily stored at another location,

if you must move the **accounts receivable records** from such location to preserve them from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Except for:

- Any Other Location; or
- In Transit,

the following Additional Coverages are provided at each covered premises only if a Limit Of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Property Insurance

Accounts Receivable

Any Other Location

We will pay for direct physical loss or damage to **accounts receivable records** at unspecified premises caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Accounts Receivable shown under Any Other Location in the Declarations.

This Additional Coverage does not apply to **accounts receivable records** while:

- at any newly acquired premises; or
- **in transit.**

This Additional Coverage applies only if a Limit Of Insurance for Accounts Receivable is shown under Any Other Location in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of your damaged **accounts receivable records**:

- at the premises shown in the Declarations;
- at any other location; or
- while **in transit**,

caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to your **accounts receivable records**.

Debris removal does not apply to costs to:

- clean up or remove **pollutants** from land, water or air; or
- clean up, remove, restore or replace polluted land, water or air,

either inside or outside of a building.

This Additional Coverage is provided regardless of whether a Limit Of Insurance for Debris Removal is shown in the Declarations.

**Fire Department
Service Charges**

We will pay the charges you:

- assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- are required to pay by local ordinance,

if the fire department is called to save or protect your **accounts receivable records** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

In Transit

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** while **in transit**, including shipments by mail, only if registered, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Accounts Receivable shown under In Transit in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for Accounts Receivable is shown under In Transit in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of the **accounts receivable** loss, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- Acts Or Decisions
- Audit
- Bookkeeping
- Date Recognition
- Dishonesty
- Governmental Action
- Nuclear Hazard
- Planning, Design, Materials Or Maintenance
- War And Military Action
- Wear And Tear

Property Insurance

Accounts Receivable

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limits Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Determination

Accounts receivable loss payment will be determined as follows:

- A. when there is proof that a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the amount of the loss will be based on your latest financial statements and will be computed as follows:
1. determine the amount of all outstanding **accounts receivable** at the end of the same month in the year immediately preceding the year in which the loss occurred;
 2. determine your total gross sales of goods and services for the 12-month period immediately preceding the month in which the loss occurred;
 3. determine your total gross sales of goods and services for the 12-month period immediately preceding the same month in the year immediately preceding the year in which the loss occurred;
 4. calculate the percentage increase or decrease of step 2 over step 3;
 5. the total amount of **accounts receivable** as of the last day of the month in which the loss occurs will be the amount determined in step 4; and
 6. the established monthly amount of **accounts receivable** will be adjusted for the normal fluctuation in the amount of **accounts receivable** in the month in which the loss occurs;

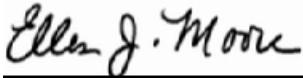
-
- B. we will deduct from the established total amount of **accounts receivable**:
1. the amount of any accounts evidenced by records not lost or damaged;
 2. any other amounts you are able to establish or collect; and
 3. an amount to allow for probable bad debts, returns, discounts and allowances which you normally would have been unable to collect;
- C. if you recover the amount of any **accounts receivable** that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any **accounts receivable** you recover in excess of the amount of the paid loss;
- D. you shall take reasonable measures to attempt the reproduction of **accounts receivable records** in an effort to mitigate your **accounts receivable** loss.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Electronic Data Processing Property

Table of Contents

Coverage	2
Extension Of Coverage	5
Additional Coverages	6
Exclusions	11
Limits Of Insurance	12
Deductible	12
Loss Payment Basis	12
Loss Payment Basis Exceptions	12
Conditions (Including Coverage Territory)	13

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Electronic Data Processing Property

We will pay for direct physical loss or damage to **electronic data processing property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;**
- **electronic data processing media; or**
- **telephone equipment,**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data Processing Media; or
- Telephone Equipment,

shown in the Declarations will apply.

The loss or damage must occur at, or within 300 meters of, the premises shown in the Declarations, unless otherwise stated.

Property Insurance

Electronic Data Processing Property

This coverage applies only at those premises for which a Limit Of Insurance for Electronic Data Processing Property is shown in the Declarations. If an additional, separate Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data Processing Media; or
- Telephone Equipment,

is shown in the Declarations for a premises, this coverage applies only to such:

- **electronic data processing equipment;**
- **electronic data processing media;** or
- **telephone equipment.**

Newly Acquired Electronic Data Processing Equipment And Telephone Equipment

We will pay for direct physical loss or damage to newly acquired:

- **electronic data processing equipment;** or
- **telephone equipment,**

at:

- the premises shown in the Declarations; or
- newly acquired premises,

caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Newly Acquired Electronic Data Processing Equipment or Newly Acquired Telephone Equipment shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the newly acquired **electronic data processing equipment** or **telephone equipment** to us;
- 180 days pass from the date you acquire the **electronic data processing equipment** or **telephone equipment**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the **electronic data processing equipment** or **telephone equipment**.

*Electronic Data
Processing Media At
Newly Acquired
Premises*

We will pay for direct physical loss or damage to **electronic data processing media** at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Electronic Data Processing Media shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the **electronic data processing media** at the newly acquired premises to us;
- 180 days pass from the date you acquire the premises; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises.

*Newly Acquired
Electronic Data
Processing Media
Duplicates*

We will pay for direct physical loss or damage to newly acquired **electronic data processing media** duplicates at any premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Newly Acquired Electronic Data Processing Media Duplicates shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

Property Insurance

Electronic Data Processing Property

This coverage applies until the first of the following occurs:

- you report the value of the newly acquired **electronic data processing media** duplicates to us;
- 180 days pass from the date you acquire the newly acquired **electronic data processing media** duplicates; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the newly acquired **electronic data processing media** duplicates.

The following Extension Of Coverage is included under your coverage for:

- **electronic data processing equipment**; or
- **electronic data processing media**,

and is subject to the applicable Limit Of Insurance shown in the Declarations.

Extension Of Coverage Removal

We will pay for direct physical loss or damage to:

- **electronic data processing equipment**; or
- electronic data processing media,

while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move such property from a location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Except for:

- Any Other Location;
- In Transit;
- Exhibition, Fair or Trade Show; or
- International Air Shipments,

the following Additional Coverages are provided at each covered premises only if a Limit Of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Any Other Location

We will pay for direct physical loss or damage caused by or resulting from a peril not otherwise excluded to:

- **electronic data processing equipment;**
- **electronic data processing media; or**
- **telephone equipment,**

at unspecified premises, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under Any Other Location in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment;**
- **electronic data processing media; or**
- **telephone equipment,**

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment;
- Electronic Data Processing Media; or
- Telephone Equipment,

shown under Any Other Location in the Declarations will apply.

Property Insurance

Electronic Data Processing Property

This Additional Coverage does not apply to **electronic data processing property**:

- while at any exhibition, fair or trade show;
- at any newly acquired premises; or
- while **in transit**.

This Additional Coverage applies only if a Limit Of Insurance for Electronic Data Processing Property is shown under Any Other Location in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of damaged **electronic data processing property**:

- at the premises shown in the Declarations;
- at any other location; or
- while **in transit**,

caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to the **electronic data processing property**.

Debris removal does not apply to costs to:

- clean up or remove **pollutants** from land, water or air; or
- clean up, remove, restore or replace polluted land, water or air,

either inside or outside of a building.

This Additional Coverage is provided regardless of whether a Limit Of Insurance for Debris Removal is shown in the Declarations.

*Exhibition, Fair Or
Trade Show*

We will pay for direct physical loss or damage to:

- **electronic data processing equipment**; or
- **electronic data processing media**

caused by or resulting from a peril not otherwise excluded while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under Exhibition, Fair or Trade Show in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment**; or
- electronic data processing media,

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data Processing Media,

shown under Exhibition, Fair or Trade Show in the Declarations will apply.

This Additional Coverage applies only if a Limit Of Insurance for Electronic Data Processing Property is shown under Exhibition, Fair or Trade Show in the Declarations.

*Fire Department
Service Charges*

We will pay the charges you:

- assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- are required to pay by local ordinance,

if the fire department is called to save or protect your **electronic data processing property** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

Property Insurance

Electronic Data Processing Property

Fire Protection Equipment

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to your **electronic data processing property**.

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

In Transit

We will pay for direct physical loss or damage to:

- **electronic data processing equipment**; or
- **electronic data processing media**,

while **in transit** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under In Transit in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment**; or
- **electronic data processing media**,

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data Processing Media,

shown under In Transit in the Declarations will apply.

This Additional Coverage does not apply:

- to any **electronic data processing property** while **in transit** to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance which covers any **electronic data processing property** while **in transit**; or
- to shipments by mail, unless registered.

This Additional Coverage applies only if a Limit Of Insurance for Electronic Data Processing Property is shown under In Transit in the Declarations.

International Air Shipments

We will pay for direct physical loss or damage to:

- **electronic data processing equipment**; or
- **electronic data processing media**,

caused by or resulting from a peril not otherwise excluded while being shipped by air to or from:

- Canada;
- the Continental United States of America;
- the State of Hawaii;
- Puerto Rico; or
- territories or possessions of Canada or the United States of America

and points worldwide, not to exceed the applicable Limit Of Insurance for Electronic Data Processing Property shown under International Air Shipments in the Declarations.

If you purchase additional, separate Limits Of Insurance for:

- **electronic data processing equipment**; or
- **electronic data processing media**,

then the applicable Limit Of Insurance for:

- Electronic Data Processing Equipment; or
- Electronic Data Processing Media,

shown under International Air Shipments in the Declarations will apply.

This coverage applies from the delivery of **electronic data processing equipment** or **electronic data processing media** at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

Property Insurance

Electronic Data Processing Property

This Additional Coverage does not apply:

- to **electronic data processing property** while being shipped by air to or from, or which passes through any country on which either the United States government or Canadian government have imposed sanctions, embargoes or any similar prohibitions;
- to loss or damage to any **electronic data processing property** while being shipped to or from any exhibition, fair or trade show;
- to loss or damage to any **electronic data processing property** via shipments by mail;
- if you have purchased separate ocean marine insurance which covers any **electronic data processing property** while being shipped by air;
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank; or
- to any loss or damage to any **electronic data processing property** payable under the Additional Coverage for In Transit.

This Additional Coverage applies only if a Limit Of Insurance for Electronic Data Processing Property is shown under International Air Shipments in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **electronic data processing property**, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- Acts Or Decisions
- Business Errors
- Date Recognition
- Dishonesty

-
- Earthquake; but this exclusion only applies in the State of California
 - Errors In Systems Programming
 - Governmental Action
 - Loss Of Market
 - Nuclear Hazard
 - Planning, Design, Materials Or Maintenance
 - War And Military Action
 - Wear And Tear

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The Loss Payment Basis provisions applicable to this contract are contained in the Loss Payment Basis section of the General Provisions form included in this policy. Any exceptions applicable to such Loss Payment Basis provisions are described below in the Loss Payment Basis Exceptions of this contract.

Loss Payment Basis Exceptions

Electronic Data Processing Media

Electronic data processing media is valued on the full cost of replacement or reproduction at the time of direct physical loss or damage when the **electronic data processing media** is actually replaced or reproduced.

If the **electronic data processing media** is not replaced or reproduced, the value is based on the cost of blank materials.

Property Insurance

Electronic Data Processing Property

*Electronic Data
Processing Property Of
Others*

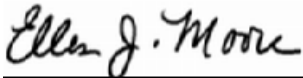
Electronic data processing property not owned by you is valued on the same basis as your **electronic data processing property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

**Conditions (Including
Coverage Territory)**

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Fine Arts

Table of Contents

Coverage	2
Extension Of Coverage	2
Additional Coverages	3
Exclusions	5
Limits Of Insurance	6
Deductible	6
Loss Payment Basis	6
Loss Payment Basis Exceptions	6
Conditions (Including Coverage Territory)	7

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Fine Arts

We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fine Arts shown in the Declarations.

The loss or damage must occur at, or within 300 meters of, the premises shown in the Declarations, unless otherwise stated.

Newly Acquired Fine Arts

We will pay for direct physical loss or damage to newly acquired **fine arts** at the premises shown in the Declarations or at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Newly Acquired Fine Arts shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- ? you report the value of the newly acquired **fine arts** at the premises shown in the Declarations or at the newly acquired premises to us;
- ? 180 days pass from the date you acquire the **fine arts**; or
- ? this policy expires.

We will charge you additional premium for the reported values from the date you acquire:

- ? the **fine arts**; or
- ? the premises.

The following extension of coverage is included under your coverage for **fine arts** and is subject to the applicable Limit Of Insurance for Fine Arts shown in the Declarations.

Extension Of Coverage

Property Insurance

Fine Arts

Removal

We will pay for direct physical loss or damage to **fine arts** while:

? being moved to another location or returned from such location to its original location; or

? temporarily stored at another location,

if you must move the **fine arts** from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Except for:

? Any Other Location;

? Exhibition, Fair or Trade Show; or

? In Transit,

the following Additional Coverages are provided at each covered premises only if a Limit Of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Additional Coverages

Any Other Location

We will pay for direct physical loss or damage to **fine arts** at unspecified premises, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Fine Arts shown under Any Other Location in the Declarations.

This Additional Coverage does not apply to **fine arts**:

? while at any exhibition, fair or trade show;

? at a newly acquired premises; or

? while **in transit**.

This Additional Coverage applies only if there is a Limit Of Insurance for Fine Arts shown under Any Other Location in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of damaged **fine arts**:

- ? at the premises shown in the Declarations;
- ? at any other location, or
- ? while **in transit**,

caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to the **fine arts**.

Debris removal does not apply to costs to:

- ? clean up or remove **pollutants** from land, water or air; or
- ? clean up, remove, restore or replace polluted land, water or air,

either inside or outside of a building.

This Additional Coverage is provided regardless of whether a Limit Of Insurance for Debris Removal is shown in the Declarations.

Exhibition, Fair or Trade Show

We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a peril not otherwise excluded while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for Fine Arts shown under Exhibition, Fair or Trade Show in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for Fine Arts is shown under Exhibition, Fair or Trade Show in the Declarations.

Property Insurance

Fine Arts

Fire Department Service Charges

We will pay the charges you:

- ? assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- ? are required to pay by local ordinance,

if the fire department is called to save or protect your **fine arts** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

In Transit

We will pay for direct physical loss or damage to **fine arts** while **in transit**, including shipments by mail, only if registered, caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fine Arts shown under In Transit in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for Fine Arts is shown under In Transit in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **fine arts**, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- ? Acts Or Decisions
- ? Dishonesty
- ? Governmental Action

-
- ? Insects Or Animals
 - ? Nuclear Hazard
 - ? Planning, Design, Materials Or Maintenance
 - ? Repair, Restoration Or Retouching
 - ? War And Military Action
 - ? Wear And Tear

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

Fine arts are valued based on their **market value** at the time of loss or damage.

**Loss Payment Basis
Exceptions****Fine Arts Of Others**

Fine arts not owned by you are valued on the same basis as your **fine arts**, subject to all other exceptions under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Property Insurance

Fine Arts

Pair Or Set

In the event of loss or damage to **fine arts** that are part of a pair or set, at your option, we will either pay:

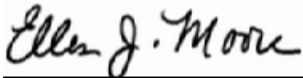
- ? the **market value** of the entire pair or set. You will return to us the remaining pieces;
- ? the cost to repair the lost or damaged pieces. You will keep the undamaged pieces. If the pair or set with the repaired pieces has a lower value than it had prior to the loss, we will also pay that difference. In no event will we pay more than the value that the pair or set had prior to the loss or damage; or
- ? the **market value** of the lost or damaged pieces prior to the loss or damage when the pieces cannot be found or repaired. You will keep the undamaged pieces. If the remaining pieces have a reduced value, we will pay the difference between the value of the remaining pieces prior to the loss or damage and after the loss or damage. In no event will we pay more than the value the pair or set had prior to the loss or damage.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Personal Property In Transit

Table of Contents

Coverage	2
Extension Of Coverage	4
Additional Coverages	4
Exclusions	6
Limits Of Insurance	6
Deductible	6
Loss Payment Basis	6
Loss Payment Basis Exceptions	7
Conditions (Including Coverage Territory)	8

Contract

Words and phrases that appear in bold print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Personal Property In Transit

We will pay for direct physical loss or damage you incur for each coverage described below only when a Limit Of Insurance for each coverage is shown in the Declarations.

We will pay for direct physical loss or damage to **personal property** while **in transit** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property shown under In Transit in the Declarations.

This coverage does not apply:

- to any **personal property** while **in transit** to or from any exhibition, fair or trade show;
- to **salespersons' samples**;
- when you are acting as a carrier for hire;
- if you have purchased separate ocean marine insurance that covers any property **in transit**;
- to shipments by mail, unless registered;
- to **electronic data processing property**;
- to **fine arts**; or
- to loss or damage to any **personal property** covered under International Air Shipments coverage.

Property Insurance

Personal Property In Transit

International Air Shipments

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while being shipped by air to or from:

- Canada;
- the Continental United States of America;
- the State of Hawaii;

- Puerto Rico; or
- territories or possessions of Canada or the United States of America,

and points worldwide, not to exceed the applicable Limit Of Insurance for Personal Property shown under International Air Shipments in the Declarations. This coverage applies from the delivery of **personal property** at the point of origin shown in the air waybill until it is discharged at the destination shown in the air waybill.

This coverage does not apply:

- to **personal property** while being shipped by air to or from any exhibition, fair or trade show;
- if you have purchased separate ocean marine insurance which covers any **personal property** being shipped by air;
- to shipments by mail;
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank;
- to **electronic data processing property**;
- to **fine arts**; or
- to loss or damage payable under the Additional Coverage for In Transit.

Salespersons' Samples

We will pay for direct physical loss or damage to **salespersons' samples** caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Salespersons' Samples shown in the Declarations.

The following Extension Of Coverage is included under your coverage for **personal property** while **in transit** and is subject to the applicable Limit Of Insurance for Personal Property shown under In Transit in the Declarations.

Extension Of Coverage

F.O.B. Shipments

We will pay for direct physical loss or damage caused by or resulting from a peril not otherwise excluded to **personal property** while **in transit** which you have sold "Free on Board" or on other similar terms when the title of a shipment passes to the consignee, if the consignee refuses to pay because such property is lost or damaged. We will not attempt to collect from the consignee unless you:

- provide us with your written consent to do so; or
- assign us your right of action.

Unless otherwise stated, the following Additional Coverages are provided only if a Limit Of Insurance for such Additional Coverages is shown in the Declarations.

Additional Coverages

Debris Removal

We will pay for the costs you incur to remove debris of damaged **personal property** while **in transit** caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

A. The most we will pay for debris removal is the lesser of:

1. of the covered direct physical loss or damage; or
2. the remaining applicable Limit Of Insurance for Personal Property shown under In Transit in the Declarations after payment of the covered direct physical loss or damage.

B. If the amount in A. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance for In Transit shown under Debris Removal in the Declarations.

Debris removal will be paid only if:

- reported to us in writing within 180 days of the date of the direct physical loss or damage to the **personal property** while **in transit**; and
- a Limit Of Insurance applicable to the lost or damaged **personal property** while **in transit** is shown in the Declarations.

Debris removal does not apply to costs to:

- clean up or remove **pollutants** from land, water or air; or
- clean up, remove, restore or replace polluted land, water or air, either inside or outside of a **building**.

Property Insurance

Personal Property In Transit

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of covered direct physical loss or damage to **personal property**, not to exceed the applicable Limit Of Insurance for Inventory Or Appraisals shown in the Declarations.

Pollutant Clean-up Or Removal

We will pay the costs you incur to clean up or remove **pollutants** from land, water or air, either inside or outside of a **building**, if:

- the **pollutants** were part of **personal property** while **in transit**; and
- the discharge, dispersal, seepage, migration, release or escape of the **pollutants** is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **pollutants**.

The applicable Limit Of Insurance shown in the Declarations for Pollutant Clean-up or Removal is the most we will pay for the sum of all such covered costs caused by or resulting from perils not otherwise excluded that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**, other than payment for testing which is performed during the clean up or removal of the **pollutants** from the land, water or air, either inside or outside of a **building**.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- Acts Or Decisions
- Business Errors
- Dishonesty
- Governmental Action
- Insects Or Animals
- Loss Of Market
- Nuclear Hazard
- Planning, Design, Materials Or Maintenance
- War And Military Action
- Wear And Tear

Limits Of Insurance

Except as provided under Pollutant Clean-up or Removal, the most we will pay in any one occurrence is the amount of loss or damage, not to exceed the Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The Loss Payment Basis provisions applicable to this contract are contained in the Loss Payment Basis section of the General Provisions form included in this policy. Any exceptions applicable to such Loss Payment Basis provisions are described below in the Loss Payment Basis Exceptions of this contract.

Property Insurance

Personal Property In Transit

Loss Payment Basis Exceptions

*Accounts Receivable
Records, Valuable
Papers And Electronic
Data Processing Media*

Accounts receivable records, valuable papers and electronic data processing media, other than prepackaged software programs, are valued based on the cost of blank materials and the cost of copying data onto blank materials from a duplicate source on the same type of materials.

*Finished Stock And
Sold Personal Property*

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

*Gold, Gold Salts And
Other Precious Metals*

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage or the actual sum you pay for replacement, whichever is less.

*Personal Property Of
Others*

Personal property of others is valued on the same basis as **personal property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on **personal property of others** are valued based on the actual cost of the labor, materials and services.

Stock In Process

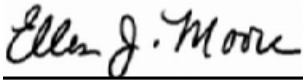
Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Valuable Papers

Table of Contents

Coverage	2
Extension Of Coverage	2
Additional Coverages	2
Exclusions	4
Limits Of Insurance	4
Deductible	5
Loss Payment Basis	5
Loss Payment Basis Exception	5
Conditions (Including Coverage Territory)	5

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Valuable Papers

We will pay for direct physical loss or damage to **valuable papers** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Valuable Papers shown in the Declarations.

The loss or damage must occur at, or within 300 meters of, the premises shown in the Declarations, unless otherwise stated.

Extension Of Coverage

The following extension of coverage is included under your coverage for **valuable papers** and is subject to the applicable Limit Of Insurance for Valuable Papers shown in the Declarations.

Removal

We will pay for direct physical loss or damage to **valuable papers** while:

- ? being moved to another location or returned from such location to its original location; or
- ? temporarily stored at another location,

if you must move the **valuable papers** from such location to preserve them from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Except for:

- ? Any Other Location; or
- ? In Transit,

the following Additional Coverages are provided at each covered premises only if a Limit Of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Additional Coverages

Property Insurance

Valuable Papers

Any Other Location

We will pay for direct physical loss or damage to **valuable papers** at unspecified premises, caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Valuable Papers shown under Any Other Location in the Declarations.

This Additional Coverage does not apply to **valuable papers** while **in transit**.

This Additional Coverage applies only if a Limit Of Insurance for Valuable Papers is shown under Any Other Location in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of damaged **valuable papers**:

- ? at the premises shown in the Declarations;
- ? at any other location; or
- ? while **in transit**,

caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to **valuable papers**.

Debris removal does not apply to costs to:

- ? clean up or remove **pollutants** from land, water or air; or
- ? clean up, remove, restore or replace polluted land, water or air,

either inside or outside of a building.

This Additional Coverage is provided regardless of whether a Limit Of Insurance for Debris Removal is shown in the Declarations.

**Fire Department
Service Charges**

We will pay the charges you:

- ? assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- ? are required to pay by local ordinance,

if the fire department is called to save or protect your **valuable papers** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

In Transit

We will pay for direct physical loss or damage to **valuable papers** while **in transit**, including shipments by mail, only if registered, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Valuable Papers shown under In Transit in the Declarations.

This Additional Coverage applies only if a Limit Of Insurance for Valuable Papers is shown under In Transit in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **valuable papers**, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- ? Acts Or Decisions
- ? Date Recognition
- ? Dishonesty
- ? Governmental Action
- ? Nuclear Hazard
- ? Planning, Design, Materials Or Maintenance
- ? War And Military Action
- ? Wear And Tear

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Property Insurance

Valuable Papers

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

Valuable papers are valued based on the full cost of replacement or reproduction at the time of direct physical loss or damage when they are actually replaced or reproduced.

If **valuable papers** are not replaced or reproduced, the value is based on the cost of blank materials.

Loss Payment Basis Exception

*Valuable Papers Of
Others*

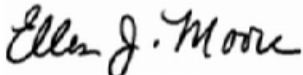
Valuable papers not owned by you are valued on the same basis as your **valuable papers**, but we will not pay more than the amount for which you are contractually liable.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Building and Personal Property

Table of Contents

Coverage	2
Extension Of Coverage	3
Additional Coverages	3
Exclusions	9
Limits Of Insurance	11
Deductible	12
Loss Payment Basis	12
Loss Payment Basis Exceptions	12
Conditions (Including Coverage Territory)	13
Additional Conditions	13
Definitions	15

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Building Or Personal Property

We will pay for direct physical loss or damage to **building** or **personal property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Building or Personal Property shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations, or for **personal property**, within 30 meters of the premises shown in the Declarations, unless otherwise stated.

This coverage applies only at those premises for which a Limit Of Insurance for Building or Personal Property is shown in the Declarations.

Newly Acquired Premises

We will pay for direct physical loss or damage to:

- **building** under construction at existing premises; and
- **building** or **personal property** at newly acquired premises,

caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Building or Personal Property shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the **building** or **personal property** at the newly acquired premises to us;
- 30 days pass from the date you acquire the premises or construction begins on the **building**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises or construction begins on the **building**.

Property Insurance

Building and Personal Property

Extension Of Coverage

The following extension of coverage is included under your coverage for **building** or **personal property** and is subject to the applicable Limit Of Insurance for Building or Personal Property shown in the Declarations.

Removal

We will pay for direct physical loss or damage to **building components** or **personal property** while:

- being moved to another location or returned from such location to its original location;
- or temporarily stored at another location for up to 30 days,

if you must move the **building components** or **personal property** from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Except for:

- Any Other Location;
- Deferred Payments;
- Exhibition, Fair or Trade Show; or
- Installation,

the following Additional Coverages are provided at each covered premises only if a Limit Of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Any Other Location

We will pay for direct physical loss or damage to **personal property** at unspecified premises, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Personal Property shown under Any Other Location in the Declarations.

We will also pay for direct physical loss or damage to any **building components** which are temporarily at a premises not shown in the Declarations, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Building Components shown under Any Other Location in the Declarations.

This Additional Coverage does not apply to:

- **salespersons' samples;**
- **personal property** while at any exhibition, fair or trade show;
- **personal property** at a newly acquired premises;
- **personal property** at a job site or temporarily warehoused elsewhere awaiting installation at the job site;
- **personal property** while in transit;
- **electronic data processing property;** or
- **fine arts.**

This Additional Coverage applies only if a Limit Of Insurance for Personal Property or Building Components is shown under Any Other Location in the Declarations.

Consequential Loss

We will pay for the consequential loss to undamaged **personal property** that is part of:

- your product; or
- any product in your care, custody or control,

which has become unmarketable as a complete product, because of covered direct physical loss or damage to **personal property** which is part of the same product, not to exceed the applicable Limit Of Insurance for Consequential Loss shown in the Declarations.

This Additional Coverage applies only when you have purchased a Limit Of Insurance for **personal property**.

Debris Removal

We will pay for the costs you incur to demolish and remove debris of damaged:

- **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns** at the premises shown in the Declarations;
- **personal property** at any other location; or
- **building components** that are temporarily at a premises not shown in the Declarations,

caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Property Insurance

Building and Personal Property

- A. The most we will pay for debris removal is the lesser of:
1. 25% of the covered direct physical loss or damage; or
 2. the remaining applicable Limit Of Insurance for Building, Personal Property, Personal Property Of Employees or Outdoor Trees, Shrubs, Plants or Lawns shown in the Declarations, after payment of the covered direct physical loss or damage.
- B. If the amount in A. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.

Debris removal will be paid only if:

- reported to us in writing within 180 days of the date of the direct physical loss or damage to the **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns**; and
- a Limit Of Insurance applicable to the damaged **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns** is shown in the Declarations.

Debris removal does not apply to costs to:

- A. 1. clean up or remove **pollutants** from land, water or air; or
2. clean up, remove, restore or replace polluted land, water or air, either inside or outside of a **building**; or
- B. demolish and clear the site of the undamaged portion of the **building**.

Deferred Payments

We will pay for your interest in **personal property** that suffers direct physical loss or damage caused by or resulting from a peril not otherwise excluded and sold by you under a conditional sale or trust agreement or any installment or deferred payment plan:

- while **in transit** to buyers; or
- after delivery to buyers,

not to exceed the applicable Limit Of Insurance for Deferred Payments shown in the Declarations.

This Additional Coverage does not apply to default by the buyer of such agreement or plan.

This Additional Coverage applies only if a Limit Of Insurance for Deferred Payments is shown in the Declarations.

Exhibition, Fair or Trade Show

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while:

- **in transit** to or from any exhibition, fair or trade show; or
- at any exhibition, fair or trade show,

not to exceed the applicable Limit Of Insurance for Personal Property shown under Exhibition, Fair or Trade Show in the Declarations.

This Additional Coverage does not apply to:

- **electronic data processing property**; or
- **fine arts.**

This Additional Coverage applies only if a Limit Of Insurance for Personal Property is shown under Exhibition, Fair or Trade Show in the Declarations.

Fire Department Service Charges

We will pay the charges you:

- assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- are required to pay by local ordinance,

if the fire department is called to save or protect your **building** or **personal property** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

Installation

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while such **personal property** is:

- A. at a job site or temporarily warehoused elsewhere:
 1. awaiting and during installation;
 2. awaiting and during tests; or
 3. awaiting acceptance by the buyer,

not to exceed the applicable Limit Of Insurance for Any Job Site shown under Installation in the Declarations; or

Property Insurance

Building and Personal Property

B. **in transit** to or from such job site or temporary warehouse, not to exceed the applicable Limit Of Insurance for In Transit shown under Installation in the Declarations.

We will not pay for any loss or damage to:

- **personal property** not a part of or destined to become part of the installation;
- tools; or
- **contractors' equipment.**

This Additional Coverage ends when the first of the following occurs:

- your interest in the **personal property** ceases;
- the buyer accepts the **personal property**;
- the **personal property** is put to use for its intended purpose; or
- this policy is terminated.

This Additional Coverage applies only if a Limit Of Insurance for Any Job Site or In Transit is shown under Installation in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns**, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Loss Prevention Expenses

We will pay the reasonable and necessary costs you incur to protect **building or personal property** at the premises shown in the Declarations from imminent direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Loss Prevention Expenses shown in the Declarations.

To the extent possible, you must notify us of your intent to incur such cost before you take any loss prevention action.

In any event, you must notify us within forty-eight (48) hours after you have taken any loss prevention action.

Outdoor Property

We will pay for direct physical loss or damage to:

- outdoor trees, shrubs, plants or lawns;
- outdoor fences;
- radio and television antennas (including satellite dishes); or
- signs not attached to structures,

caused by or resulting from:

- fire;
- lightning;
- explosion;
- riot or civil commotion; or
- aircraft or self-propelled missiles,

not to exceed the applicable Limit Of Insurance for Outdoor Property shown in the Declarations.

The loss or damage must occur at, or within 30 meters of, the premises shown in the Declarations.

Personal Property Of Employees

We will pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property Of Employees shown in the Declarations.

The loss or damage must occur at, or within 30 meters of, the premises shown in the Declarations.

We will also pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded while such **personal property of employees** is:

- at any of your job sites; or
- **In transit** to or from any of your job sites,

not to exceed \$500 for any one employee or \$1,000 in the aggregate for any one occurrence, regardless of the number of employees.

Personal Property Of Others

We will pay for direct physical loss or damage to **personal property of others** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Personal Property Of Others shown in the Declarations.

Property Insurance

Building and Personal Property

The loss or damage must occur at, or within 30 meters of, the premises shown in the Declarations.

Pollutant Clean-up Or Removal

We will pay the costs you incur to clean up or remove **pollutants** from land, water or air, either inside or outside of a **building** at the premises shown in the Declarations, if the discharge, dispersal, seepage, migration, release or escape of the **pollutants** is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **pollutants**.

The applicable Limit Of Insurance shown in the Declarations for Pollutant Clean-up Or Removal is the most we will pay at the premises for the sum of all such covered costs caused by or resulting from perils not otherwise excluded that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**, other than payment for testing that is performed during the clean up or removal of the **pollutants** from the land, water or air, either inside or outside of a **building**.

Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- Acts Or Decisions
- Agricultural Smudging Operations
- Artificial Electrical Current
- Basement Water
- Business Errors
- Changes In Temperature
- Collapse
- Continuous Or Repeated Seepage Of Water
- Date Recognition
- Disappearance
- Dishonesty

-
- Earth Movement (Other Than Earthquake)
 - Earthquake
 - Electric Arcing
 - Errors In Systems Programming
 - Flood
 - Governmental Action
 - Inherent Vice/Latent Defect
 - Insects Or Animals
 - Leakage From Freezing
 - Loss Of Market
 - Marring Or Scratching
 - Mechanical Breakdown
 - Mudslide Or Mudflow
 - Nuclear Hazard
 - Ordinance Or Law
 - Personal Property In The Open
 - Planning, Design, Materials Or Maintenance
 - Pollutants
 - Rust
 - Settling
 - Spoilage
 - Steam Boiler
 - Surface Water
 - Voluntary Parting
 - War And Military Action
 - Wear And Tear

Property Insurance

Building and Personal Property

Limits Of Insurance

Except as provided under Pollutant Clean-up Or Removal, the most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Automatic Increase In Limits

The Limits Of Insurance for Building or Personal Property will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage, the amount of increase will be determined by multiplying the applicable Limit Of Insurance shown in the Declarations by the percentage of annual increase applied on a pro rata basis.

Glass - Special Limit

The most we will pay in any one occurrence for loss or damage to glass that is part of a structure is \$2,500.

This limitation does not apply to loss or damage caused by or resulting from a **specified peril**.

Loss Or Damage By Theft - Special Limits

The most we will pay in any one occurrence for loss or damage caused by or resulting from theft of furs, fur garments and garments trimmed with fur is \$2,500.

The most we will pay in any one occurrence for loss or damage caused by or resulting from theft of jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals is \$2,500. This limit does not apply to jewelry and watches worth \$100 or less per item.

The most we will pay in any one occurrence for loss or damage caused by or resulting from theft of patterns, molds, dies and forms is \$2,500.

The most we will pay in any one occurrence for loss or damage caused by or resulting from theft of stamps, tickets, including lottery tickets held for sale and letters of credit is \$250.

These special limits are part of, not in addition to, the applicable Limit Of Insurance.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The Loss Payment Basis provisions applicable to this contract are contained in the Loss Payment Basis section of the General Provisions form included in this policy. Any exceptions applicable to such Loss Payment Basis provisions are described below in the Loss Payment Basis Exceptions of this contract.

Loss Payment Basis Exceptions**Accounts Receivable Records, Valuable Papers, And Electronic Data Processing Media**

Accounts receivable records, valuable papers and electronic data processing media, other than prepackaged software programs, are valued based on the cost of blank materials and the cost of copying data onto blank materials from a duplicate source on the same type of materials.

Finished Stock And Sold Personal Property

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

Gold, Gold Salts And Other Precious Metals

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the American Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less.

Personal Property Of Others

Personal property of others is valued on the same basis as **personal property**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Labor, materials and services that you furnish or arrange on **personal property of others** are valued based on the actual cost of the labor, materials and services.

Stock In Process

Stock in process is valued based on the cost of raw materials and costs expended as of the date of loss or damage.

Property Insurance

Building and Personal Property

Tenant's Improvements And Betterments

Tenant's improvements and betterments are valued based at a proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

- a) multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- b) divide the amount determined in a. above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

We will not pay for that part of any lost or damaged **tenant's improvements and betterments** which is paid by others.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this Contract.

Additional Conditions Coinsurance

If a Coinsurance percentage is shown in the Declarations, we will not pay the full amount of any covered direct physical loss or damage if the value of lost or damaged **building or personal property** at the time of loss multiplied by the applicable coinsurance percentage shown in the Declarations exceeds the applicable Limit Of Insurance shown in the Declarations.

Instead, we will determine the most we will pay using the following steps:

1. multiply the value of lost or damaged **building or personal property** at the time of loss by the coinsurance percentage;
2. divide the Limit Of Insurance of such property by the figure determined in step 1;
3. multiply the total amount of loss, before application of any deductible, by the figure determined in step 2; and
4. subtract the deductible from the figure determined in step 3.

We will pay the amount determined in step 4 or the Limit Of Insurance, whichever is less.

Automatic Sprinkler System

If the property you own or use is protected by an **automatic sprinkler system**, you are required to maintain such system including any supervisory services.

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

- knew of any suspension or impairment in the **automatic sprinkler system** and failed to notify us of that fact; or
- failed to maintain the **automatic sprinkler system** and supervisory service, over which you had control, in complete working order.

If any part of the **automatic sprinkler system** is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, no notification to us will be necessary if you can restore full protection within 48 hours.

Vacancy

If a lost or damaged structure is vacant for more than 60 consecutive days before such loss or damage occurs, we will not pay for any loss or damage caused by or resulting from:

- vandalism;
- leakage from fire protection equipment, unless you have protected the system against freezing;
- building glass breakage;
- water damage;
- theft; or
- attempted theft.

We will reduce the amount of loss or damage we would otherwise pay by 15% if such loss or damage is caused by or results from a peril not listed immediately above.

A structure will be considered vacant if:

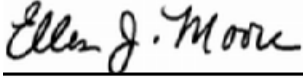
- you are a tenant and the space you rent or lease does not contain sufficient **personal property** to conduct your normal business activities; or
 - you are an owner and 70% or more of the space is not rented or is not used to conduct your business activities.
-

Property Insurance

Building and Personal Property

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

General Provisions

Table of Contents

<i>Exclusions</i>	<i>2</i>
<i>Loss Payment Basis</i>	<i>12</i>
<i>Conditions</i>	<i>14</i>
<i>Definitions</i>	<i>19</i>

Exclusions

WHEN USED WITH RESPECT TO THE PROPERTY CONTRACTS FORMING A PART OF THIS POLICY, THE APPLICABLE EXCLUSIONS LISTED IN SUCH CONTRACTS ARE DESCRIBED AS FOLLOWS:

Accounting

This insurance does not apply to accounting, mathematical or record-keeping errors.

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This Acts or Decisions exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Agricultural Smudging Operations

This insurance does not apply to loss or damage caused by or resulting from smoke, vapor or gas from agricultural smudging or industrial operations.

Artificial Electrical Current

This insurance does not apply to loss or damage caused by or resulting from artificially generated electrical current that disturbs electrical devices, appliances or wires.

This Artificial Electrical Current exclusion does not apply to:

- loss or damage caused by or resulting from electric arcing; or
- ensuing loss or damage caused by or resulting from fire.

Audit

This insurance does not apply to loss or damage disclosed by an audit or inventory count. In the event the loss or damage is established by independent means, you may use an audit or inventory count to support your claim for that loss.

Basement Water

This insurance does not apply to loss or damage caused by or resulting from:

- A. water that backs up or overflows from a sewer, drain or sump;
- B. water under the ground surface pressing on, or flowing or seeping through:
 1. foundations, walls, floors or paved surfaces;
 2. basements, whether paved or not;
 3. doors, windows or other openings;
- C. discharge of water or other substances from within any part of the plumbing, air conditioning or heating system of the premises; or
- D. influx of water from any source, which causes or results in water in the basement.

Property Insurance

General Provisions

This Basement Water exclusion does not apply to:

- water or other substance discharged from within any part of fire protection equipment; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

Bookkeeping

This insurance does not apply to bookkeeping, accounting or billing errors or omissions.

Books And Records

This insurance does not apply to loss or damage to manuscripts, records, accounts, media, microfilm or tapes.

Business Errors

This insurance does not apply to loss or damage to **building, personal property, personal property of employees, outdoor trees, shrubs, plants or lawns, electronic data processing property, building or renovations under construction or research and development property** caused by or resulting from error in the:

- alteration;
- distribution;
- installation;
- manufacturing;
- maintenance;
- processing;
- repair;
- research or development; or
- testing,

of that **building, personal property, personal property of employees, outdoor trees, shrubs, plants or lawns, electronic data processing property, building or renovations under construction or research and development property**.

This Business Errors exclusion does not apply to loss or damage that results to other covered **building, personal property, personal property of employees, outdoor trees, shrubs, plants or lawns, electronic data processing property, building or renovations under construction or research and development property**.

Changes In Temperature

This insurance does not apply to loss or damage caused by or resulting from natural or artificial:

- dampness or dryness of atmosphere; or
- changes in or extremes of temperature.

This Change In Temperature exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Collapse

This insurance does not apply to loss or damage caused by or resulting from collapse, unless the collapse is caused by:

- a **specified peril**;
- hidden decay;
- hidden insect or vermin damage;
- weight of people or **personal property**;
- weight of rain that collects on a roof; or
- use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by any of the foregoing perils, we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

Collapse Or Collision Of Booms Or Jibs

This insurance does not apply to loss or damage caused by or resulting from collapse or collision of booms or jibs, unless directly caused by or resulting from fire or lightning, wind or hail, riot or civil commotion, **flood**, earthquake or collapse of a building.

Consequential Loss

UNDER THE MONEY AND SECURITIES CONTRACT:

This insurance does not apply to loss of income, interest or dividends.

UNDER THE LEASEHOLD INTEREST CONTRACT:

This insurance does not apply to any other consequential loss.

Continuous Or Repeated Seepage Of Water

This insurance does not apply to loss or damage caused by or resulting from continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.

Date Recognition

This insurance does not apply to loss or damage caused by or resulting from the inability or inadequacy of any:

- A. 1. computer hardware, microprocessor or other semiconductor device;
2. operating system, software or firmware;
3. other **electronic data processing property**;
- B. microprocessor, other semiconductor device, operating system, software or firmware, not part of **electronic data processing property**;
- C. other system, machinery, equipment or component which is computerized, computer-controlled, microprocessor-controlled or electronic; or
- D. other system, machinery, equipment or component that is connected to or communicates with any of the foregoing,

Property Insurance

General Provisions

to accept, retrieve, recognize, understand, interpret, identify, distinguish, process, communicate or otherwise use any date or time, regardless of any other cause or event that:

- contributes concurrently to;
- contributes in any sequence to, or
- worsens,

such loss or damage, even if such other cause or event would otherwise be covered.

The Date of Recognition Exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Disappearance

This insurance does not apply to loss or damage caused by or resulting from disappearance or shortage disclosed on taking inventory, where there is no physical evidence to show what happened.

This Disappearance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, employees, anyone performing acts coming within the scope of the usual duties of your employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This Dishonesty exclusion does not apply to:

- A. acts of vandalism;
- B. acts committed by carriers or warehousemen for hire or anyone claiming to be a carrier or warehouseman for hire, other than:
 1. you, your partners, directors, trustees and employees;
 2. anyone performing acts coming within the scope of the usual duties of your employees; or
 3. anyone authorized to act for you; or
- C. ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Earth Movement (Other Than Earthquake)

This insurance does not apply to loss or damage caused by or resulting from:

- any earth movement, including landslide, mine subsidence or earth sinking, rising or shifting; or
- volcanic eruption, explosion or effusion,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earth Movement (Other Than Earthquake) exclusion does not apply to:

- loss or damage caused by or resulting from earthquake;
- loss or damage caused by or resulting from sinkhole collapse; or
- ensuing loss or damage caused by or resulting from fire, explosion or **volcanic action**.

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Earthquake exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Electric Arcing

This insurance does not apply to loss or damage caused by or resulting from electric arcing or any other artificially generated current that disturbs electrical devices, appliances or wires.

This Electric Arcing exclusion does not apply to ensuing loss or damage caused by or resulting from fire, if the fire would be covered under this insurance.

This insurance does not apply to loss or damage caused by or resulting from electric breakdown.

Errors In Systems Programming

This insurance does not apply to loss or damage caused by or resulting from:

- A. errors or omissions in the development of, programming of, or instructions to:
 - 1. software;
 - 2. **electronic data processing equipment**;
 - 3. a machine;
 - 4. **telephone equipment**; or
- B. **electronic data processing media** which is faulty, inadequate or defective for the use intended at the time of loss or damage.

This Errors In Systems Programming exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Property Insurance

General Provisions

Expenses

This insurance does not apply to any fees, costs or expenses you incur or pay:

- in establishing the existence or the amount of any loss or damage; or
- in prosecuting or defending any legal proceeding or claim, whether or not any such proceeding results or would result in a loss or damage covered under this insurance.

Fire To Property Of Others

This insurance does not apply to loss or damage caused by or resulting from fire to property of others that you hold as a pledge or as collateral.

Flood

This insurance does not apply to loss or damage caused by or resulting from:

- waves, tidal water or tidal waves; or
- rising, overflowing or breaking of any boundary,
- of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not, regardless of any other cause or event that directly or indirectly:
 - contributes concurrently to;
 - contributes in any sequence to; or
 - worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Flood exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Forgery

This insurance does not apply to loss or damage caused by or resulting from forgery.

Governmental Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Governmental Action exclusion does not apply to loss or damage caused by or resulting from acts of destruction ordered by governmental authority:

- A. when taken at the time of a fire to prevent its spread, if the fire would be covered under this insurance; or

-
- B. if the act of destruction is made necessary by direct physical loss or damage to:
1. **electronic data processing property** or **personal property** while in transit; or
 2. a conveyance in or on which **electronic data processing property** or **personal property** while in transit is loaded, caused by or resulting from a peril not otherwise excluded.

Inherent Vice/Latent Defect

This insurance does not apply to loss or damage caused by or resulting from inherent vice or hidden or latent defect.

This Inherent Vice/Latent Defect exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of:

- insects;
- birds;
- rodents; or
- other animals.

This Insects or Animals exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Kidnap/Ransom Or Extortion

This insurance does not apply to loss or damage caused by or resulting from kidnap/ransom or other extortion payments surrendered to any person as a result of a threat to do:

- bodily harm to any person; or
- damage to the premises or other property owned by you or held by you in any capacity.

This Kidnap/Ransom or Extortion exclusion does not apply to **robbery of money or securities**.

Leakage From Freezing

This insurance does not apply to loss or damage caused by or resulting from water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air-conditioning or other equipment (except fire protection equipment) caused by or resulting from freezing, unless:

- you do your best to maintain heat in the structure; or
- you drain the equipment and shut off the supply if the heat is not maintained.

Loss Of Market

This insurance does not apply to loss or damage caused by or resulting from loss of market, loss of use or delay.

Marring Or Scratching

This insurance does not apply to loss or damage to **personal property** caused by or resulting from marring, denting, chipping or scratching.

Property Insurance

General Provisions

This Marring Or Scratching exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril** or building glass breakage.

Mechanical Breakdown

This insurance does not apply to loss or damage caused by or resulting from mechanical breakdown, including rupture or bursting caused by centrifugal force.

This Mechanical Breakdown exclusion does not apply to ensuing loss or damage caused by or resulting from elevator collision, if elevator collision would be covered under this insurance.

Mudslide Or Mudflow

This insurance does not apply to loss or damage caused by or resulting from mudslide or mudflow.

This Mudslide Or Mudflow exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Nuclear Hazard exclusion does not apply to ensuing loss or damage caused by or resulting from fire, if the fire would be covered under this insurance.

Ordinance Or Law

This insurance does not apply to loss or damage caused by or resulting from the enforcement of any ordinance or law:

- regulating the construction, use or repair of any property; or
- requiring the tearing down of any property, including the cost of removing its debris,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,
- the loss or damage, even if such other cause or event would otherwise be covered.

This Ordinance Or Law exclusion applies whether the loss or damage results from:

- an ordinance or law that is enforced, even if the property has not been damaged; or
- the increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

*Personal Property In
The Open*

This insurance does not apply to loss or damage to **personal property** in the open caused by or resulting from rain, snow, ice or sleet.

*Planning, Design,
Materials Or
Maintenance*

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting;
 - design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - materials used in repair, construction, renovation or remodeling; or
 - maintenance,
- of part or all of any property on or off the premises shown in the Declarations.

This Planning, Design, Materials or Maintenance exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Pollutants

This insurance does not apply to loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of **pollutants**.

This exclusion does not apply:

- if the discharge, dispersal, seepage, migration, release or escape of **pollutants** is caused by or results from any of the **specified perils**; or
- to ensuing loss or damage caused by or resulting from a **specified peril**.

*Repair, Restoration Or
Retouching*

This insurance does not apply to loss or damage caused by or resulting from repair, restoration or retouching.

Rust

This insurance does not apply to loss or damage caused by or resulting from rust, oxidation, corrosion or discoloration.

This Rust exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Settling

This insurance does not apply to loss or damage caused by or resulting from settling, cracking, shrinking, bulging or expansion of paved or concrete surfaces, foundations, walls, floors, roofs, ceilings and swimming pools.

Property Insurance

General Provisions

This Settling exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Spoilage

This insurance does not apply to loss or damage caused by or resulting from spoilage, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Spoilage exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Steam Boiler

This insurance does not apply to loss or damage caused by or resulting from explosion of any steam boiler, steam pipe, steam turbine or steam engine owned or leased by you, or operated under your control.

This Steam Boiler exclusion does not apply to:

- ensuing loss or damage caused by or resulting from fire or combustion explosion, if fire or combustion explosion would be covered under this insurance; or
- loss or damage caused by or resulting from the explosion of gasses or fuel within the furnace of any fired vessel or within the flues or passages through which the gasses of combustion pass, if explosion would be covered under this insurance.

Surface Water

This insurance does not apply to loss or damage caused by or resulting from seepage, leakage or influx of surface water or backing up of sewers into a building.

This Surface Water exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

Surrendering

This insurance does not apply to loss or damage caused by or resulting from the giving or surrendering of **money** or **securities** in any exchange or purchase.

Suspension, Lapse Or Cancellation Of Any License

This insurance does not apply to loss or damage caused by or resulting from the suspension, lapse or cancellation of any license.

Voluntary Parting

This insurance does not apply to loss or damage caused by or resulting from voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

This Voluntary Parting exclusion does not apply to ensuing loss or damage caused by or resulting from a **specified peril**.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power or action taken by governmental authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or deterioration.

This Wear and Tear exclusion does not apply to ensuing loss or damage caused by or resulting from a peril not otherwise excluded.

Weight Load

This insurance does not apply to loss or damage caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting capacity as specified in load charts, brochures and/or manuals published by the manufacturer.

Loss Payment Basis

THE FOLLOWING LOSS PAYMENT PROVISIONS APPLY TO ALL CONTRACTS CONTAINED WITHIN THE PROPERTY INSURANCE SECTION OF THIS POLICY, EXCEPT CARE, CUSTODY OR CONTROL LEGAL LIABILITY, OR AS OTHERWISE STATED.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. Covered property is valued on a replacement cost basis as described below, unless:
1. the Loss Payment Basis shown in the Declarations or below is actual cash value; or
 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. **contractors' equipment** is valued on an actual cash value basis as described below, unless:
1. the Loss Payment Basis shown in the Declarations is replacement cost; or
 2. otherwise stated under Loss Payment Basis Exceptions; and

Property Insurance

General Provisions

- C. valuation also includes, for:
1. **building, personal property** or **building or renovations under construction**, costs you incur as described below under Construction Fees; and
 2. **personal property** while **in transit**, general average and salvage charges you incur on covered waterborne shipments of **personal property**.

For **personal property of employees**, we will not pay more than the amount for which you are legally liable.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option we will either:

- pay the covered value of the lost or damaged covered property;
- pay the cost of repairing or replacing the lost or damaged covered property plus any reduction in value of the repaired item;
- take all or any part of the covered property at an agreed or appraised value; or
- repair or replace the covered property with other such property of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged covered property will be valued on the lesser of:

1. the cost to replace on the same premises, the lost or damaged property:
 - a) of comparable material and quality; and
 - b) used for the same purposes; or
2. the amount you actually spend to repair or replace the lost or damaged property.

The cost of repair or replacement does not include the increased costs attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

If you do not repair or replace the covered property, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **building** or **personal property** within 6 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the replacement cost at the time of:

- loss or damage; or
 - actual replacement.
-

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is actual cash value, lost or damaged covered property will be valued at the cost to repair or replace such property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Contractors' equipment is valued on an actual cash value basis as described above, unless the Loss Payment Basis shown in the Declarations is replacement cost.

Construction Fees

Covered property valuation includes necessary and incurred architectural, engineering, consulting, decorating and supervisory fees related to the construction and repair of the lost or damaged **building, personal property and building or renovations under construction.**

Conditions

THE FOLLOWING CONDITIONS APPLY TO ALL CONTRACTS CONTAINED WITHIN THE PROPERTY/BUSINESS INCOME INSURANCE SECTION OF THIS POLICY, EXCEPT CARE, CUSTODY OR CONTROL LEGAL LIABILITY, OR AS OTHERWISE STATED.

Abandonment

There can be no abandonment of any covered property to us unless we specifically agree to such abandonment in writing.

Appraisal

If you and we do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and we will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

Concealment Or Misrepresentation

This insurance is void if you or any other insured intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Property Insurance

General Provisions

Coverage Territory

This insurance applies anywhere within and **in transit** within and between Canada, the Continental United States of America, the State of Hawaii, Puerto Rico and the territories or possessions of Canada or the United States of America, excluding:

- A. coastwise waterborne shipments to or from Alaska;
- B. waterborne shipments to or from:
 1. the state of Hawaii;
 2. Puerto Rico; and
 3. territories or possessions of Canada or the United States of America.
- C. inter-coastal waterborne shipments via the Panama Canal; and

The coverage territory for Dependent Business Premises coverage, Exhibition, Fair or Trade Show coverage and International Air Shipments coverage is worldwide, except it does not include any country in which your government prohibits us from providing insurance.

For **contractors' equipment**, Leasehold Interest coverage, Money or Securities coverage or Building Under Construction coverage, the coverage territory is:

- Canada and its territories and possessions;
- the United States of America and its territories and possessions; and
- Puerto Rico.

Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone, telegraph or facsimile at our expense.
- Notify the police if a law may have been broken.
- Take every reasonable step to protect the covered property from further damage, and keep a record of your expenses necessary to protect such covered property for consideration in the settlement of the claim. This will not increase any Limit Of Insurance. However, we will not pay for any subsequent loss or damage resulting from a peril that is not a covered peril. Also, if feasible, set such damaged property aside and in the best possible order for examination.
- If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.

- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.

- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that he knows about will not affect the insurance afforded you by this policy.

Legal Action Against Us

No legal action may be brought against us unless:

- there has been full compliance with all the terms of this insurance; and
- the action is brought within two years after the date on which the direct physical loss or damage occurred.

Liberalization

If we adopt any changes:

- within 45 days prior to the effective date shown in the Declarations; or
- during the policy period,

which could broaden this insurance without an additional premium charge, you will automatically receive the benefit of the broadened coverage.

Loss Payable — Other Than Buildings

For covered property (other than **building**), in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

Loss Payment

A. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:

1. we have reached agreement with you on the amount of loss; or
2. an appraisal award has been made.

B. We will not pay you more than your financial interest in the covered property.

Property Insurance

General Provisions

- C. We may adjust losses with the owners of lost or damaged covered property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' covered property. We will not pay the owners more than their financial interest in such property. We will not pay the owners more than their financial interest in such property.
- D. We may elect to defend you against suits arising from claims of owners of covered property. We will do this at our expense.

Mortgage Holder – Buildings

We will pay for loss or damage to **building** or **building or renovations under construction** jointly to you and the mortgage holder shown in the Declarations, as interests may appear.

However, your mortgage holder has the right to receive loss payment, even though:

- you failed to comply with the terms of this insurance; or
- your mortgage holder starts foreclosure or similar actions on the **building or building or renovations under construction**.

If we make loss payments to your mortgage holder when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the mortgage holder. Your mortgage holder will still have the right to receive the balance of the mortgage debt from you.

We also have the right to take over your mortgage after making loss payment to the mortgage holder. If we do, you will pay your remaining mortgage debt to us.

If you fail to pay your premium, we may request it from your mortgage holder. The mortgage holder must notify us of any change in ownership known to the mortgage holder.

If we cancel this insurance, we will give written notice to the mortgage holder at least:

- 20 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

To satisfy the requirements of any mortgage holder shown in the Declarations, copies of policies or certified copies of policies may be sent to these mortgage holders. In no event are copies of policies sent to mortgage holders to be considered as increasing the Limits Of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

No Benefit To Carrier Or Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

Other Insurance

If you have other insurance against loss or damage covered by this policy, we shall not pay any amount greater than the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the total applicable Limits Of Insurance covering the loss or damage.

For **personal property** that is the subject of a contract of sale, this insurance will apply on a pro rata basis with any other insurance covering such property.

For **money** and **securities**, this insurance is excess of any other insurance for property owned by others that you hold as a pledge or as collateral for a loan.

This insurance is excess of:

- the amount you recover under other insurance for the loss of your interest in **tenant's improvements and betterments** or for the repair or replacement of lost or damaged **tenant's improvements and betterments**; or
- any other insurance covering your interest or the interest of others in property which is **personal property of others** or **personal property of employees**.

Recovered Property

If any lost or damaged covered property is recovered by you or us after a loss payment is made, the party making the recovery must give the other party prompt notice.

If any recovered covered property has a salvage value, we shall control the disposition of such salvage.

When covered property is recovered, you may:

- keep the recovered property and return the loss payment to us; or
- keep the loss payment and we will keep the recovered property.

If any recovered property has salvage value or if there is any money recovered through subrogation, we will reimburse you from the amount recovered for:

- the deductible amount that you paid;
- the penalties you paid as a result of Coinsurance or the **personal property** reporting condition of this insurance, if applicable; and
- any uninsured loss or damage resulting from an insufficient Limit Of Insurance.

If there are expenses:

- in recovering any lost or damaged covered property; or
- as a result of subrogation,

we will share the expenses with you in proportion to the amount we are each reimbursed.

When any recovered covered property that you choose to keep is in need of repair, we will pay for the repairs subject to the applicable Limit Of Insurance shown in the Declarations.

Transfer Of Rights Of Recovery To Us

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

Property Insurance

General Provisions

You may waive your rights against another party in writing:

- A. prior to direct physical loss or damage to insured property; or
- B. after direct physical loss or damage to insured property only if, at the time of direct physical loss or damage, that party is one of the following:
 1. someone insured by this insurance;
 2. an individual who owns or controls the majority of capital stock of your business;
 3. a related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business; or
 4. your tenant.

This will not restrict your insurance.

Definitions

Accounts Receivable

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS POLICY:

Accounts receivable means:

- the money due you that you are unable to collect from customers;
- interest charges on any loan that you secure to offset your reduced cash flow;
- additional collection costs;
- reasonable expenses to re-establish your **accounts receivable records**; and
- the cost of blank **accounts receivable records**.

Accounts receivable records means accounting records, including support records such as invoices and accounting records on **electronic data processing media**, used to control and document the collection of money due from customers.

Actual Cash Value

Actual cash value means the cost to repair or replace at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Automatic Sprinkler System

Automatic sprinkler system means:

- A. any automatic fire protection or extinguishing system, including connected:
 1. sprinklers and discharge nozzles;
 2. ducts, pipes, valves and fittings;
 3. tanks, their component parts and supports; and
 4. pumps and fire protection mains; and

-
- B. when supplied from an automatic fire protection system:
1. non-automatic fire protection systems; and
 2. hydrants, standpipes and outlets.

Building

Building means:

- a structure;
- **building components**;
- completed additions;
- additions to the structure under construction; and
- alterations and repairs to the structure.

Building does not mean:

- land, water or air, either inside or outside of a structure;
- bulkheads, pilings, piers, wharves or docks;
- underground pipes, flues or drains;
- bridges, roadways, walks or patios;
- paved or concrete surfaces;
- retaining walls;
- cost of excavations, grading, backfilling or filling;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- **outdoor trees, shrubs, plants or lawns**; or
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure; or
- any structure you do not own, occupy and are not legally or contractually required to insure.

Building Components

Building components means:

- glass forming a part of a structure;
- **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used for making additions or repairs to a structure;
- outdoor fixtures;
- indoor signs;
- permanently installed fixtures, machinery and equipment; and
- **personal property** used to maintain or service a structure or its premises.

*Building Or
Renovations Under
Construction*

Building or renovations under construction means:

- **buildings under construction**; or
- **renovations under construction**.

*Building Under
Construction*

Building under construction means:

- A. a structure in the course of construction; and
- B. the following, if attached to the structure, intended to become a part of the structure, or within 30 meters of the premises shown in the Declarations where the structure is under construction:
1. foundations;
 2. **building components**;

Property Insurance

General Provisions

3. building materials and supplies, including those in your care, custody or control:
 - a) at a job site awaiting and during installation; or
 - b) **in transit** to a job site; and
4. temporary structures built or assembled on site, including cribbing, scaffolding and construction forms, if not covered by other insurance.

Building under construction does not mean:

- land, water or air, either inside or outside of a structure in the course of construction;
- bridges, roadways, walks or patios;
- paved or concrete surfaces;
- retaining walls;
- **outdoor trees, shrubs, plants or lawns;**
- **contractors' equipment;** or
- any structure in the course of construction you do not own, occupy and are not legally or contractually required to insure.

Business Income

Business income means:

- A. net profit or loss, including rental income from tenants, that would have been earned or incurred before income taxes;
- B. your continuing normal:
 1. operating; and
 2. payroll,
 3. expenses;
- C. charges you incur which are the legal obligation of your tenant(s) which would otherwise be your obligations; and
- D. the cost you are required to pay to rent temporary premises when that portion of the premises shown in the Declarations occupied by you is untenable, not to exceed the fair rental value of such untenable portion of the **building** you occupy.

Business income does not mean bank interest or investment income.

Computer Virus

Computer virus means an illegal or malicious entry into **electronic data processing media** which results in functions that distort, corrupt or manipulate the **electronic data processing media**.

Computer virus does not mean loss resulting from theft of telephone services.

Contractors' Equipment

Contractors' equipment means the contractors' machinery and equipment, including accessories, tools and spare parts for the contractors' machinery and equipment, usual to your business which you own, lease or borrow, and for which you are liable.

Contractors' equipment does not mean:

- aircraft or watercraft;
- motor vehicles required to be licensed for highway use, except motor vehicles on which your contractors' machinery or equipment is permanently mounted;
- property while underground, except while in transit through vehicular or railroad tunnels;
- office equipment, which is the contents of trailers, unless that equipment is otherwise shown;
- property while waterborne or while being loaded or unloaded for waterborne transit, except while in transit on public ferries or car floats for hire;
- property while leased or loaned to others; or
- property while on any platform anchored, permanently or temporarily, in any body of water.

Covered Peril

Covered peril means a peril covered by the Form (s) shown in the Property Insurance Schedule Of Forms, except Care, Custody Or Control Legal Liability, applicable to the lost or damaged **property**.

For the purposes of determining a **covered peril** for:

- **personal property of a dependent business premises;**
- **personal property of a utility;** or
- **service property,**

such property shall be treated as your **property** and subject to the terms and conditions of the forms shown in the Property Insurance Schedule Of Forms applicable to such loss or damage.

Dependent Business Premises

Dependent business premises means premises operated by others on whom you depend to:

- deliver materials or services to you or to others for your account (contributing premises);
- accept your products or services (recipient premises);
- manufacture products for delivery to your customers under contract of sale (manufacturing premises); or
- attract customers to your business (leader premises).

Dependent business premises does not mean premises:

- A. operated by others on whom you depend to:
 - 1. deliver utility services to you; or
 - 2. accept utility services from you; or
- B. of **on-line access providers**.

Property Insurance

General Provisions

Electronic Data Processing Equipment

Electronic data processing equipment means:

- data processing systems;
- electronic systems consisting of separately identifiable and removable component memory or control boxes that are attached to and control production machinery, but not the production machinery itself; and
- equipment, component parts and related peripheral equipment, including air-conditioning and fire protection equipment, used solely for data processing operations.

Electronic data processing equipment does not mean:

- systems, equipment or parts held for sale or distribution;
- systems, equipment or parts that have been sold;
- systems, equipment or parts in the course of manufacture; or
- **telephone equipment.**

Electronic Data Processing Media

Electronic data processing media means:

- punch cards, tapes, discs, diskettes, drums, cells;
- other magnetic or optical recording or storage devices;
- any software data or other information recorded on such media; and
- any original source material used to enter or program such information.

Electronic data processing media does not mean:

- media held for sale or distribution;
- media that has been sold; or
- **telephone equipment.**

Electronic Data Processing Property

Electronic data processing property means:

- **electronic data processing equipment;**
- **electronic data processing media;** and
- telephone equipment.

Extra Expense

Extra expense means necessary expenses you incur:

- in an attempt to continue **operations**, over and above the expenses you would have normally incurred; and
- to repair or replace any **property**, or to research or restore the lost information on damaged **valuable papers**, records and media, to the extent it reduces the amount of **business income** loss that otherwise would have been payable under this insurance.

Fine Arts

Fine arts means:

- paintings, rare books, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statuary, potteries, porcelains, marble and other bona fide works of art; or
 - items of rarity or historical value.
-

Finished Stock

Finished stock means goods you have manufactured which are in their completed state and ready for sale.

Finished stock does not include goods you have manufactured which are in their completed state and ready for sale on the premises of any retail outlet.

Flood

Flood means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary, of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse, whether driven by wind or not.

Flood does not include:

- a **specified peril** that ensues from flood; or
- tsunami resulting from earthquake.

In Transit

In transit means being shipped by air, surface or waterborne conveyance from the time beginning:

- when, if shipped from your premises in or on conveyances you own, lease or operate, the property departs your premises;
- when, if shipped from premises of others in or on conveyances you own, lease or operate, the property is transferred into your care, custody or control; or
- when the property is actually moved from the point of shipment bound for a specified destination, if shipped in or on any other conveyance.

and ending:

- when the property is accepted by, or on behalf of, the consignee at the intended destination;
- when the property is accepted by, or on behalf of, the consignee at any intermediate point short of reaching the original intended destination;
- at such point where you, or the owner of the property if other than you, order the property stopped and held pending instructions. However, this does not apply to property while in the custody of a carrier for hire and which is being held at a location other than the intended destination by such carrier's "on-hand" department for a period not to exceed 30 days; or
- when, if shipped to your premises in or on conveyances you own, lease or operate, the property arrives at your premises.

In transit includes ordinary, reasonable, and necessary stops, interruptions, delays, or transfers incidental to the route and method of shipment but not while at premises you own, lease or operate. **In transit** also includes the period of time during which:

- there is a substantial and unauthorized deviation from the normal route by a carrier for hire; or
- the contract of carriage is, without your knowledge, abandoned en route by a carrier for hire, its agent, or its driver.

Property Insurance

General Provisions

In transit does not mean:

- A. property shipped by mail, unless shipped by registered mail;
- B. import shipments, within the Coverage Territory, until such time as ocean marine insurance has ceased to cover such property;
- C. export shipments once:
 - 1. loaded on board any steamer or other watercraft; or
 - 2. ocean marine insurance has begun to cover such property, whichever occurs first; or
- D. property owned by others when you are acting as a carrier for hire.

Market Value

Market value means the price which the **fine arts** might be expected to realize if offered for sale in a fair market on the date of loss or damage.

Merchandise

Merchandise means goods:

- held for sale by you; or
- manufactured by you and ready for sale on the premises of any retail outlet.

Money

Money means:

- currency, coins, bank notes or bullion;
- food stamps;
- checks or drafts drawn on any account; or
- travelers checks, registered checks and money orders, held for sale to the public.

Net Rental Income

Net rental income means rental income less all costs that would have been incurred during the period of delay had there been no loss or damage.

Off Premises

Off premises means:

- in the custody of an armored motor vehicle company; or
- in the possession of any person authorized by you, but not while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company.

On premises means:

- on the premises shown in the Declarations;
- in a bank; or
- in a recognized place of safe deposit.

On-Line Access Providers

On-line access providers means companies through whom you:

- access information made available by third parties; or
- make information available to third parties, via computer or other electronic system.

Operations

Operations means your business activities occurring at your premises prior to the loss, including the tenantability of such premises.

*Outdoor Trees, Shrubs,
Plants Or Lawns*

Outdoor trees, shrubs, plants or lawns means outdoor trees, shrubs, plants or lawns you own on the premises shown in the Declarations.

Outdoor trees, shrubs, plants or lawns does not mean:

- outdoor trees, shrubs, plants or lawns that you hold for sale; or
- growing crops.

*Overhead
Communication,
Transmission Or
Distribution Equipment*

Overhead communication, transmission or distribution equipment means:

- overhead communication, transmission or distribution lines;
 - overhead transformers; or
 - other similar overhead communication, transmission or distribution equipment,
- and all their supporting towers and poles.

*Patterns, Molds And
Dies*

Patterns, molds and dies means **personal property** consisting of patterns, molds, dies and other similar property usual to your business that are owned by you or in your care, custody or control.

Period Of Restoration

Period of restoration means the period of time that, for **business income**, begins:

- A. immediately after the time of direct physical loss or damage by a **covered peril to property**; or
- B. with the date **operations** would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of **operations**:
 1. new **buildings** whether complete or under construction;
 2. alterations or additions to existing **buildings**; or
 3. **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used in the construction, or for making additions, alterations or repairs to the structure.

Period of restoration means the period of time that, for **extra expense**, begins immediately after the time of direct physical loss or damage by a **covered peril to property**.

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, not to exceed the greater of:

- 30 consecutive days; or
- the number of consecutive days shown under Period of Restoration in the Declarations,

beginning on the date the lost or damaged **property** is actually replaced and your **operations** are resumed.

Property Insurance

General Provisions

The expiration date of this policy will not cut short the **period of restoration**.

If loss or damage occurs to a:

- **dependent business premises**; or
- utility,

for the purpose of determining **period of restoration** following such loss, **property** should also include:

- **personal property of a utility**; or
- **personal property of a dependent business premises**.

In determining the **business income** that would have existed if no direct physical loss or damage occurred, no consideration will be given to any **business income** loss caused by or resulting from unfavorable market conditions caused by or resulting from the impact that the **covered peril** had in the geographic area where the lost or damaged property is located.

Period of restoration does not include any increased period due to the enforcement of any ordinance or law that regulates the construction, use or repair, or requires the tearing down of any property.

Personal Property

Personal property means:

- all your business personal property;
- business personal property in which you have an insurable interest;
- **patterns, molds and dies**;
- labor, materials and services furnished or arranged by you on **personal property of others**;
- indoor signs, fixtures, glass and other **tenant's improvements and betterments**; and
- glass in **buildings** you do not own if you are legally or contractually required to maintain such glass.

Personal property does not mean:

- **building**, except **tenant's improvements and betterments** and glass in **buildings** you do not own if you are legally or contractually required to maintain such glass;
- land, water or air, either inside or outside of a structure;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure;
- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- watercraft in water;
- aircraft;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

*Personal Property Of A
Dependent Business
Premises*

Personal property of a dependent business premises means personal property owned or leased by a **dependent business premises**.

Personal property of a dependent business premises does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure;
- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- watercraft in water;
- aircraft;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;

Property Insurance

General Provisions

- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

Personal Property Of Employees

Personal property of employees means personal property owned or leased by your employee and in your care, custody or control.

Personal property of employees does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure;
- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- watercraft in water;
- aircraft;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

Personal Property Of Others

Personal property of others means personal property not owned by you and in your care, custody or control.

Personal property of others does not mean:

- **buildings;**
- **personal property of employees;**
- land, water or air, either inside or outside of a structure;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure;

- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- watercraft in water;
- aircraft;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

Personal Property Of A Utility

Personal property of a utility means personal property owned or leased by a utility.

Personal property of a utility does not mean:

- **building;**
- land, water or air, either inside or outside of a structure;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure;
- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- watercraft in water;
- aircraft;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
- import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

Pollutants

Pollutants means:

- any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed;
- organisms or microorganisms, including bacteria, fungus, mold or their spores or products; or
- viruses or other pathogens.

Property Insurance

General Provisions

Property

Property means:

- **building;**
- **personal property;**
- **personal property of employees;**
- **personal property of others;**
- **electronic data processing property;**
- **accounts receivable records;**
- **valuable papers;**
- **fine arts;** or
- **research and development property,**

as defined in their respective property form(s) shown in the Property Insurance Schedule of Forms.

Prototype

Prototype means a first or original model of a new type of design.

Raw Stock

Raw stock means material in the state in which you receive it for conversion into **finished stock**.

Renovations Under Construction

Renovations under construction means additions, improvements, alterations or repairs to an existing structure, including:

- A. the following property located in the structure, on premises, within 30 meters of the premises shown in the Declarations or while **in transit** to the premises shown in the Declarations if such property is intended to become a permanent part of the structure:
 1. fixtures, machinery and equipment used to service the structure; and
 2. your building materials and supplies, or those in your care, custody or control, used in the construction; and
- B. temporary structures built or assembled on the premises shown in the Declarations, including cribbing, scaffolding and construction forms, if not covered by other insurance.

Renovations under construction does not mean:

- any portion of a structure existing prior to the additions, improvements, alterations or repairs;
- bridges, roadways, walks or patios;
- paved or concrete surfaces;
- retaining walls;
- **building under construction;**
- **contractors' equipment;** or
- land, water or air, either inside or outside of a structure.

Research And Development Operations

Research and development operations means your business activities occurring at your premises which are directly related to the development of new products or enhancement of existing products.

*Research And
Development Property*

Research and development property means:

- written, printed or inscribed documents, plans, records or formulas;
- processes or cultures and resulting products, samples or other materials produced by such processes or cultures; and
- **prototype**,
if produced and directly associated with your **research and development operations**.

Research and development property does not mean:

- animals;
- **money** or **securities**;
- property held for sale or held for delivery after sale; or
- goods you have manufactured which are in their completed state and ready for sale.

*Robbery Of Money Or
Securities*

Robbery of money or securities means the unlawful taking of **money** or **securities** from:

- you;
- your partner;
- your employee; or
- any other person authorized by you to have custody of the **money** or **securities**,
- by violence, threat of violence or any other overt felonious act committed in the presence and with cognizance of any such person.

Salespersons' Samples

Salespersons' samples means **personal property** that is in the custody of any one of your salespersons and used only for sample purposes.

Securities

Securities means:

- all negotiable and nonnegotiable instruments or contracts that represent either **money** or other property held by you in any capacity;
- revenue and other stamps in current use;
- tokens;
- tickets; and
- property of others that you hold as a pledge or as collateral for a loan.

Securities does not mean **money**.

Service Property

Service property means property outside of a **building**, owned or leased by you and used either on or off the premises shown in the Declarations, to supply such premises with water, communication, power, natural gas or sewage treatment service.

Property Insurance

General Provisions

Soft Costs

Soft costs means costs over and above the costs you would have incurred during construction work, including:

- extra construction costs you incur to continue construction and meet contract dates;
- construction loan interest on money borrowed to finance construction;
- realty taxes and other assessments on the construction site accruing during a period of delay;
- architect, engineering and consultant fees;
- legal and accounting fees;
- insurance premiums;
- advertising and promotional expenses; and
- costs and commissions resulting from renegotiating leases.

Specified Peril

Specified peril means:

- aircraft or self-propelled missiles;
- explosion;
- fire or lightning;
- leakage from fire protection equipment;
- riot or civil commotion;
- sinkhole collapse;
- smoke;
- vandalism;
- vehicles
- volcanic action; or
- windstorm or hail.

Stock

Stock means:

- goods held in storage or for sale;
 - **raw stock**;
 - **stock in process**;
 - **finished stock**; or
 - **merchandise**,
- including supplies used in their packing or shipping.

Stock In Process

Stock in process means **raw stock** that has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

Telephone Equipment

Telephone equipment means telephone systems and their component parts you own or are in your care, custody or control.

Telephone equipment does not mean telephone systems or their component parts for sale or sold.

*Tenant's Improvements
And Betterments*

Tenant's Improvements and betterments means fixtures, alterations, installations or additions:

- you make a part of a **building** you occupy but do not own; and
- you acquire or make at your expense but cannot legally remove.
- **Tenant's Improvements and betterments** means fixtures, alterations, installations or additions:

Tenant's improvements and betterments does not mean:

- land, water or air, either inside or outside of a structure;
- bridges, roadways, walks or patios;
- paved or concrete surfaces;
- underground pipes, flues or drains;
- retaining walls;
- foundations or supports of structures, machinery or boilers, below the surface of the lowest floor or basement;
- **outdoor trees, shrubs, plants or lawns;** or
- growing crops.
- bulkheads, pilings, piers, wharves or decks; or
- fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers and outdoor signs not attached to a structure, all while outside of a structure.

Unamortized

Unamortized means the period of time remaining in your lease at the time of loss or damage divided by the period of time from the date the tenant's improvements and betterments were made to the date that your lease expires.

Valuable Papers

Valuable papers means valuable:

- papers, documents, records, negatives, transparencies;
- tapes of all types; and
- original plans, blueprints, specifications or designs.

Valuable papers does not mean:

- **electronic data processing media;**
- **money;** or
- **securities.**

Volcanic Action

Volcanic action means:

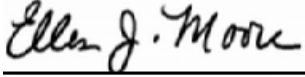
- airborne volcanic blast or shock waves;
- ash, dust or particulate matter; or
- lava flows,
- arising out of the eruption of a volcano; and
- the cost to remove ash, dust or particulate matter from covered property arising out of an eruption of a volcano only when such ash, dust or particulate matter causes direct physical loss or damage to such covered property.

Workday

Workday means the 24-hour period that begins at midnight, during which your **operations** were or normally would be performed.

Property Insurance

General Provisions

A handwritten signature in cursive script that reads "Ellen J. Moore". The signature is written in black ink on a light-colored background.

President

Property Insurance

Extra Expense

Table of Contents

<i>Contract</i>	<i>2</i>
<i>Coverage</i>	<i>2</i>
<i>Extension Of Coverage</i>	<i>3</i>
<i>Limits Of Insurance</i>	<i>4</i>
<i>Loss Determination</i>	<i>4</i>
<i>Loss Payment Limitations</i>	<i>4</i>
<i>Conditions (Including Coverage Territory)</i>	<i>5</i>
<i>Definitions</i>	<i>5</i>
<i>Amended Definition</i>	<i>5</i>

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy or the Amended Definition section of this contract.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Extra Expense

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit Of Insurance for Extra Expense shown in the Declarations.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at, or within 300 meters of, the premises, other than **dependent business premises**, shown in the Declarations, unless otherwise stated.

This coverage applies only at those premises:

- where you incur an **extra expense** loss; and
- for which a Limit Of Insurance for Extra Expense is shown in the Declarations.

Dependent Business Premises

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the lesser of:

- the applicable Limit Of Insurance for Extra Expense shown in the Declarations; or
- \$100,000.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** or **personal property of a dependent business premises** at a **dependent business premises**.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

Loss Of Utilities

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations**, not to exceed the lesser of:

- the applicable Limit Of Insurance for Extra Expense shown in the Declarations; or
- \$15,000.

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to:

Property Insurance

Extra Expense

- **property;**
- **personal property of a utility** located either inside or outside of a **building;** or
- **service property,**

excluding **overhead communication, transmission or distribution equipment,** and used by you or the following:

- water supply companies;
- communication supply companies;
- power supply companies;
- natural gas supply companies;
- sewage treatment companies; or
- **on-line access providers,**

to supply your premises with such services.

We will pay such loss provided that:

- the disruption of service is not due to your failure to comply with the terms and conditions of any contract; and
- the disruption of services has been reported to the utility.

This Additional Coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood.**

Extension Of Coverage

The following extension of coverage is included under your coverage for **extra expense** and is subject to the Limit Of Insurance for Extra Expense shown in the Declarations.

Civil Authority

We will pay for the actual **extra expense** you incur due to the actual or potential impairment of your **operations** when a civil authority prohibits access to your premises or a **dependent business premises.**

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage to property away from your premises or a **dependent business premises** by a **covered peril.**

This coverage will begin immediately after the time the civil authority prohibits access and will end:

- 30 consecutive days after this coverage begins; or
 - when your **extra expense** coverage ends,
- whichever occurs first.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood.**

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss, not to exceed the applicable Limit Of Insurance shown in the Declarations.

Loss Determination

In making any loss determination under this coverage, we will utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Extra Expense

The amount of **extra expense** loss will be determined based on:

- all expenses that exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration**, if no physical loss or damage had occurred; and
- all necessary expenses that reduce the **extra expense** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any **property** bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Or Continuance Of Operations

If you elect not to resume or continue **operations**, we will not make any payment for **extra expense**.

Loss Payment Limitations

Debris Removal

We will not pay for any **extra expense** you incur for the demolition or removal of debris.

Increase Of Loss Due To Strikers Or Others Causing A Delay

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing property or resuming your **operations**, due to interference at the location of the repair, replacement or **operations**, due to strikers or other persons.

Property Insurance

Extra Expense

Loss Or Damage To Property Used To Provide Utility Services

Except as provided for in the Coverage for Loss Of Utilities, we will not pay for any **extra expense** caused by or resulting from loss or damage to:

- **property**;
- **personal property of a utility** located either inside or outside of a **building**; or
- **service property**, used by you or a utility or provide you with utility services.

Loss Or Damage To Water

We will not pay for any **extra expense** you incur for loss or damage to water.

Pollutant Clean-up Or Removal

We will not pay for any **extra expense** caused by or resulting from the:

- clean up or removal of **pollutants** from any land, water or air, either inside or outside of a **building**; or
- testing for, monitoring, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of **pollutants**.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.

Amended Definition

Period Of Restoration

Period of restoration means the period of time that begins immediately after the time of direct physical loss or damage by a **covered peril** to **property**.

Period of restoration will continue until your **operations** are restored, with reasonable speed, to the level which would generate the **business income** amount that would have existed if no direct physical loss or damage occurred, including the time required to:

- A. repair or replace the **property**; or

B. repair or replace the **property** to comply with the minimum standards of any ordinance or law that:

- 1 regulates the repair or replacement of any **property**;
- 2 requires the tearing down of parts of any **property** not damaged by a **covered peril**; and
- 3 is in force on the date of the direct physical loss or damage,
not to exceed 12 consecutive months after the date of the direct physical loss or damage.

The expiration date of this policy will not cut short the **period of restoration**.

If loss or damage occurs to a:

- **dependent business premises**; or
- utility,

for the purpose of determining **period of restoration** following such loss, **property** should also include:

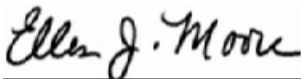
- **personal property of a utility**; or
- **personal property of a dependent business premises**.

In determining the business that would have existed if no direct physical loss or damage occurred, no consideration will be given to any unfavorable market conditions caused by or resulting from the impact that the **covered peril** had in the geographic area where the lost or damaged property is located.

Period of restoration does not include any increased period required to comply with any ordinance or law:

you were required to comply with before the direct physical loss or damage; involving any property outside the legal boundary of the premises shown in the Declarations; or

that regulates the repair or replacement of any property that was lost or damaged by an excluded peril. If direct physical loss or damage is caused by or results from both a **covered peril** and an excluded peril, the **period of restoration** only includes the length of time required to repair or replace the property lost or damaged by a **covered peril**.



President

Property Insurance

Contractors' Equipment

Table of Contents

<i>Coverage</i>	<i>2</i>
<i>Extensions Of Coverage</i>	<i>2</i>
<i>Additional Coverages</i>	<i>3</i>
<i>Exclusions</i>	<i>4</i>
<i>Limits Of Insurance</i>	<i>5</i>
<i>Deductible</i>	<i>5</i>
<i>Loss Payment Basis</i>	<i>5</i>
<i>Loss Payment Basis Exceptions</i>	<i>5</i>
<i>Conditions (Including Coverage Territory)</i>	<i>5</i>
<i>Additional Conditions</i>	<i>6</i>
<i>Definitions</i>	<i>6</i>

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of the General Provisions form included in this policy.

Throughout this contract, the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we," "us" and "our" refer to the company providing this insurance.

Coverage

Contractors' Equipment

We will pay for direct physical loss or damage to **contractors' equipment** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations.

Newly Acquired Contractors' Equipment

We will pay for direct physical loss or damage to newly acquired **contractors' equipment** caused by or resulting from a peril not otherwise excluded, not to exceed the lesser of:

- ? 25% of the Limit Of Insurance for Contractors' Equipment shown in the Declarations; or
- ? \$250,000.

This coverage applies until the first of the following occurs:

- ? you report the value of the **contractors' equipment** to us;
- ? 90 days pass from the date you acquire the **contractors' equipment**; or
- ? this policy expires.

We will charge you additional premium for the reported values from the date you acquire the **contractors' equipment**.

Extensions Of Coverage

Civil Authority

The following extensions of coverage are included under your coverage for **contractors' equipment** and are subject to the applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations.

We will pay for direct physical loss or damage to insured **contractors' equipment** caused by or resulting from actions by a civil authority in an attempt to avoid further loss or damage caused by or resulting from a peril not otherwise excluded.

Property Insurance

Contractors' Equipment

Removal

We will pay for direct physical loss or damage to **contractors' equipment** while:

- being moved to another location or returned from such location to its original location; or
- temporarily stored at another location,

if you must move the **contractors' equipment** from such location to preserve it from imminent loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Debris Removal

The following Additional Coverages are provided only if a Limit Of Insurance for such Additional Coverages is shown in the Declarations.

We will pay for the costs you incur to demolish and remove debris of damaged **contractors' equipment** within the coverage territory stated in this policy applicable to **contractors' equipment**, caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

- A. The most we will pay for debris removal is the lesser of:
1. 25% of the covered direct physical loss or damage; or
 2. the remaining applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations, after payment of the covered direct physical loss or damage.
- B. If the amount in A. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance shown under Debris Removal in the Declarations.

Debris removal will be paid only if:

- ? reported to us in writing within 180 days of the date of the direct physical loss or damage to the **contractors' equipment**; and
- ? a Limit Of Insurance applicable to the damaged **contractors' equipment** is shown in the Declarations.

Debris removal does not apply to costs to:

- ? clean up or remove **pollutants** from land, water or air; or
- ? clean up, remove, restore or replace polluted land, water or air,

either inside or outside of a **building**.

*Fire Department
Service Charges*

We will pay the charges you:

- ? assume under any contract or agreement that was in effect at the time of the direct physical loss or damage; or
- ? are required to pay by local ordinance,

if the fire department is called to save or protect your **contractors' equipment** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

*Fire Protection
Equipment*

We will pay the cost you incur to refill your discharged fire protection equipment whether or not there is direct physical loss or damage to your **contractors' equipment**.

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **contractors' equipment**, not to exceed the applicable Limit Of Insurance for Inventory or Appraisals shown in the Declarations.

Exclusions

Policy Exclusions

The following exclusions apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- ? Acts Or Decisions
- ? Collapse Or Collision Of Booms Or Jibs
- ? Disappearance
- ? Date Recognition
- ? Dishonesty
- ? Electric Breakdown
- ? Governmental Action
- ? Latent Defect/Inherent Vice
- ? Nuclear Hazard
- ? Planning, Design, Materials Or Maintenance

Property Insurance

Contractors' Equipment

- ? Rust
- ? War And Military Action
- ? Wear And Tear
- ? Weight Load

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage or Additional Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverage or Additional Coverage is the most we will pay in any one occurrence, regardless of the number of contracts in which such Coverage or Additional Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles applicable to **contractors' equipment** apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The Loss Payment Basis provisions applicable to this contract are contained in the Loss Payment Basis section of the General Provisions form included in this policy. Any exceptions applicable to such Loss Payment Basis provisions are described below in the Loss Payment Basis Exceptions of this contract.

Loss Payment Basis Exceptions

Contractors' Equipment Of Others

Contractors' equipment not owned by you is valued on the same basis as your **contractors' equipment**, but we will not pay more than the amount for which you are contractually liable.

Conditions (Including Coverage Territory)

The conditions applicable to this contract are contained in the Conditions section of the General Provisions form included in this policy. Any additional conditions are shown in the Additional Conditions section of this contract.

Additional Conditions

Coinsurance For Contractors' Equipment

Coinsurance applies to **contractors' equipment** only when a coinsurance percentage under Contractors' Equipment is shown in the Declarations.

Coinsurance does not apply to **contractors' equipment** you lease, rent or borrow from others.

If coinsurance applies, our maximum loss payment will be determined as follows:

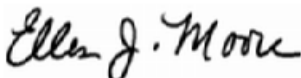
- A. determine the value of the covered **contractors' equipment** at the time of loss or damage in accordance with the applicable Loss Payment Basis as provided under Loss Payment Basis;
- B. multiply the value determined in step A. by the applicable coinsurance percentage shown in the Declarations;
- C. divide the applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations by the amount determined in step B.;
- D. multiply the total amount of the covered loss or damage, before the application of any deductible, by the amount determined in step C.; and

subtract the applicable deductible from the amount determined in step D.

The amount determined in step E. is the most we will pay for loss or damage, not to exceed the applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations.

Definitions

The definitions applicable to this contract are contained in the Definitions section of the General Provisions form included in this policy.



President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

SCHEDULE

PER OCCURRENCE
LIMIT OF INSURANCE: \$

AGGREGATE LIMIT
OF INSURANCE: \$

DEDUCTIBLE: 5% of limit; Subject to a \$100,000 Minimum (per occurrence)

BUSINESS INCOME
WAITING PERIOD: Not Applicable

COVERAGES: Property and Extra Expense

PREMISES: As per Certificate of Insurance

Exclusions

Only with respect to the premises and coverages shown in the Schedule above, the Earthquake exclusion is deleted from the forms shown above. To the extent that the Earthquake exclusion would otherwise apply, the Earthquake exclusion is not deleted and remains in effect for Newly Acquired Premises and any coverage or premises not shown in the Schedule above.

Earthquake

To the extent that this endorsement applies to a premises or coverage shown in the Schedule above, it also applies to the Additional Coverages contained in the contract(s) applicable to such premises or coverages. This paragraph does not apply to the Additional Coverages for Any Other Location or Exhibition, Fair or Trade Show.

If any form shown above does not contain an exclusion for Earthquake, the terms and conditions of this endorsement apply to such forms to the extent such forms apply at premises shown in the Schedule above.

If the Electronic Data Processing Property form is shown above, the terms and conditions of this endorsement apply to such form to the extent such form applies at premises shown in the Schedule above.

If the Schedule shown above includes **business income** or **extra expense**, the Earthquake exclusion and any **earthquake** limitations are not deleted and remain in effect for:

- ? Dependent Business Premises;
- ? Civil Authority; and
- ? Loss of Utilities,

unless shown under Premises Coverages in the Schedule above.

Under Limits Of Insurance, and only with respect to the forms shown above, the following is added:

Limits Of Insurance

A. Earthquake Per Occurrence Limit Of Insurance

Subject to the:

- Earthquake Policy Aggregate Limit Of Insurance described in paragraph B. below and shown in the Schedule above;
- applicable Annual Aggregate Limit shown under Premises Limits in the Schedule above; and
- applicable Earthquake Deductible or Waiting Period shown under Premises Limits in the Schedule above,

Property Insurance

Endorsement

the most we will pay, in any one **earthquake**, for direct physical loss or damage and **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake**, is the lesser of the applicable:

- Limits Of Insurance shown in the Declarations; or
- Earthquake Per Occurrence Limit Of Insurance shown in the Schedule above,
- regardless of any other cause or event that directly or indirectly:
- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

B. Earthquake Policy Aggregate Limit Of Insurance

The most we will pay at all premises and for all coverages shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage and **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake** is the Earthquake Policy Aggregate Limit Of Insurance shown in the Schedule above, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Deductible **Earthquake**

Under Deductible, and only with respect to the forms shown above, the following is added:

We will pay the amount of loss or damage in excess of the applicable deductible amount shown under Premises Limits in the Schedule above, if such loss or damage is caused by or results from **earthquake**.

Such deductible amount will apply separately at each premises for each **earthquake**.

Waiting Period

Earthquake

If Business Income With Extra Expense or Business Income Without Extra Expense is shown above, the following is added under Waiting Period:

We will pay the amount of **business income** loss that is incurred after the applicable Earthquake Waiting Period shown under Premises Limits in the Schedule above, if such loss is caused by or results from covered direct physical loss or damage by **earthquake**.

We will pay the amount of **business income** loss that is incurred after the applicable Earthquake Waiting Period shown under Premises Limits in the Schedule above, if such loss is caused by or results from covered direct physical loss or damage by **earthquake**.

Such waiting period:

- ? will apply separately at each premises for each **earthquake**;
- ? begins immediately following the time of the covered direct physical loss or damage; and
- ? does not apply to **extra expense**.

Hours shown for a waiting period are normal business hours.

Conditions

Single Occurrence - 168 Hours

Under Conditions, the following condition is added:

If more than one earthquake shock occurs within any period of 168 hours, these earthquake shocks will be considered a single earthquake and deemed to have occurred at the time of the first shock.

Definitions

Earthquake

Under Definitions, and only with respect to the forms shown above, the following definition is added:

Earthquake means earthquake, including any resulting tsunami.

Earthquake does not include a **specified peril** that ensues from earthquake.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

SCHEDULE

PER OCCURRENCE
LIMIT OF INSURANCE: \$

AGGREGATE LIMIT
OF INSURANCE: \$

DEDUCTIBLE: Subject to a \$50,000 Minimum (per occurrence)

BUSINESS INCOME
WAITING PERIOD: Not Applicable

COVERAGES: Property and Extra Expense

PREMISES: As per Certificate of Insurance

Exclusions

Only with respect to the premises and coverages shown in the Schedule above, the Flood exclusion is deleted from the forms shown above. To the extent that the Flood exclusion would otherwise apply, the Flood exclusion is not deleted and remains in effect for Newly Acquired Premises and any coverage or premises not shown in the Schedule above.

Flood

To the extent that this endorsement applies to a premises or coverage shown in the Schedule above, it also applies to the Additional Coverages contained in the contract(s) applicable to such premises or coverages. This paragraph does not apply to the Additional Coverages for Any Other Location or Exhibition, Fair or Trade Show.

If any form shown above does not contain an exclusion for Flood, the terms and conditions of this endorsement apply to such forms to the extent such forms apply at premises shown in the Schedule above.

If the Schedule shown above includes **business income** or **extra expense**, the Flood exclusion and any **flood** limitations are not deleted and remain in effect for:

- ? Dependent Business Premises;
- ? Civil Authority; and
- ? Loss of Utilities,

unless shown under Premises Coverages in the Schedule above.

Under Limits Of Insurance, and only with respect to the forms shown above, the following is added:

Limits Of Insurance

A. Flood Per Occurrence Limit Of Insurance

Subject to the:

- Flood Policy Aggregate Limit Of Insurance described in paragraph B. below and shown in the Schedule above;
- applicable Annual Aggregate Limit shown under Premises Limits in the Schedule above; and
- applicable Flood Deductible or Waiting Period shown under Premises Limits in the Schedule above,

the most we will pay, in any one **flood**, for direct physical loss or damage and **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood**, is the lesser of the applicable:

- Limits Of Insurance shown in the Declarations; or
- Flood Per Occurrence Limit Of Insurance shown under Premises Limits in the Schedule above,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Property Insurance

Endorsement

B. Flood Policy Aggregate Limit Of Insurance

The most we will pay at all premises and for all coverages shown in the Schedule above during any consecutive 12-month period, beginning with the effective date shown in the Declarations, for direct physical loss or damage and **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood** is the Flood Policy Aggregate Limit Of Insurance shown in the Schedule above, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Deductible

Flood

Under Deductible, and only with respect to the forms shown above, the following is added:

We will pay the amount of loss or damage in excess of the applicable deductible amount shown under Premises Limits in the Schedule above, if such loss or damage is caused by or results from **flood**.

Such deductible amount will apply separately at each premises for each **flood**.

No payment will be made under this insurance for loss or damage caused by or resulting from **flood** until the deductible amount shown in the Schedule above has been used up.

In the event you have any insurance provided to you through the National Flood Insurance Program, the deductible amount shown above is excess of all amounts which are paid or payable under the National Flood Insurance Program.

Waiting Period

Flood

If Business Income With Extra Expense or Business Income Without Extra Expense is shown above, the following is added under Waiting Period:

We will pay the amount of **business income** loss that is incurred after the applicable Flood Waiting Period shown under Premises Limits in the Schedule above, if such loss is caused by or results from covered direct physical loss or damage by **flood**.

Such waiting period:

- ? will apply separately at each premises for each **flood**;
- ? begins immediately following the time of the covered direct physical loss or damage; and
- ? does not apply to **extra expense**.

Hours shown for a waiting period are normal business hours.

Under Loss Payment Basis, the following is added:

Loss Payment Basis

*National Flood
Insurance Program*

In the event of loss or damage covered by this insurance and insurance provided under the National Flood Insurance Program, our valuation will include any difference in loss payment due to a difference in the methods of valuation under this insurance and the insurance provided under the National Flood Insurance Program.

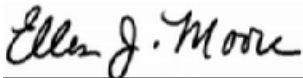
Under Conditions, Other Insurance is amended to add the following:

Conditions

Other Insurance

This insurance is excess of any insurance provided to you by the National Flood Insurance Program, where applicable, regardless of whether the loss or damage would otherwise be covered under this policy.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

SCHEDULE

PREMISES: As per Certificate of Insurance

DEDUCTIBLE: \$1,000

Deductible

Basement Or Surface Water

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added:

We will pay the amount of loss or damage in excess of the Basement or Surface Water Deductible shown in the Schedule above, if such loss or damage is caused by or results from **basement water** or **surface water**.

Such deductible amount:

- will apply separately at each premises in each occurrence; and
 - does not apply to **business income** loss or **extra expense**.
-

If Business Income With Extra Expense or Business Income Without Extra Expense are shown above, the following applies.

Under Waiting Period, and only with respect to the premises shown in the Schedule above, the following is added:

Waiting Period

Basement Or Surface Water

We will pay the amount of **business income** loss that is incurred after the Basement or Surface Water Waiting Period shown in the Schedule above, if such loss is caused by or results from **basement water** or **surface water**.

Such waiting period:

- will apply separately at each premises in each occurrence; and
- begins immediately following the time of the covered direct physical loss or damage.

Hours shown for a waiting period are normal business hours.

Definitions

Basement Water

Basement water means:

- A. water that backs up or overflows from a sewer, drain or sump;

- B. water under the ground surface pressing on, or flowing or seeping through:
 - 1. foundations, walls, floors or paved surfaces;
 - 2. basements, whether paved or not;
 - 3. doors, windows or other openings;

- C. discharge of water or other substances from within any part of the plumbing, air conditioning or heating system of the premises; or

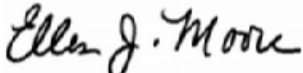
- D. influx of water from any source,

which causes or results in water in the basement.

Surface Water

Surface water means seepage, leakage or influx of surface water or backing up of sewers into a building.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts except 80-02-1017 - Electronic Data Processing Property

SCHEDULE

As per Certificate of Insurance

Under Exclusions, and only with respect to the premises shown in the Schedule of Premises above, the following exclusions are added:

Exclusions

Electric Arcing

This insurance does not apply to loss or damage caused by or resulting from electric arcing or any other artificially generated current that disturbs electrical devices, appliances or wires.

This Electric Arcing exclusion does not apply to ensuing loss or damage caused by or resulting from fire, if the fire would be covered under this insurance.

Mechanical Breakdown

This insurance does not apply to loss or damage caused by or resulting from mechanical breakdown, including rupture or bursting caused by centrifugal force.

This Mechanical Breakdown exclusion does not apply to ensuing loss or damage caused by or resulting from elevator collision, if elevator collision would be covered under this insurance.

Steam Boiler

This insurance does not apply to loss or damage caused by or resulting from explosion of any steam boiler, steam pipe, steam turbine or steam engine owned or leased by you, or operated under your control.

This Steam Boiler exclusion does not apply to:

- ensuing loss or damage caused by or resulting from fire or combustion explosion, if fire or combustion explosion would be covered under this insurance; or
- loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass, if explosion would be covered under this insurance.

Under Conditions, the following is added:

Conditions

Joint Loss Adjustment

A. This condition is intended to facilitate payment in the event of loss or damage to property that is covered by:

1. this insurance; and
2. other Boiler and Machinery insurance; and

when there is agreement between the insuring companies as to the existence of coverage, but a disagreement as to the amount of the loss or damage to be paid by each insuring company.

B. The provisions of paragraph C. of this condition apply only if all of the following requirements are met:

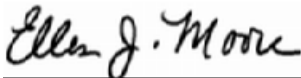
1. the other Boiler and Machinery insurance insuring the covered property contains a provision with substantially the same requirements and procedures as contained in this condition;
2. the loss or damage to the covered property was caused by a peril for which both we and the other insuring company(s) admit some liability for payment under the respective policies;
3. the total amount of the loss or damage is agreed upon by you, us and the other Boiler and Machinery insurer(s);
4. we and the other Boiler and Machinery insurer(s) disagree as to the amount of loss or damage that each should pay for the property that is covered under the respective policies; and
5. the **named insured** is the same under the respective policies.

Property Insurance

Endorsement

- C. If the requirements listed in paragraph B. above are satisfied, we and the other Boiler and Machinery insurer(s) will make payments as follows:
1. we will pay, upon your written request, the entire amount for loss or damage that we have agreed upon as being covered solely by this insurance and one-half (½) the amount of loss or damage about which we and the other Boiler and Machinery insurer(s) disagree;
 2. the Boiler and Machinery insurer(s) will pay, upon your written request, the entire amount of loss or damage that they have agreed upon as being covered solely by the Boiler and Machinery insurance and one-half (1/2) the amount of loss or damage about which we and the other Boiler and Machinery insurer(s) disagree;
 3. the amount in disagreement to be paid by us under this condition shall not exceed the amount payable under the Loss Adjustment Condition(s) of the other Boiler and Machinery insurance;
 4. the amount to be paid under this condition shall not exceed the amount we would have paid had no other Boiler and Machinery insurance been in effect at the time of loss or damage;
 5. acceptance by you of payments under this condition does not alter, waive or surrender any of our rights under this policy; and
 6. we and the other Boiler and Machinery insurer(s) agree to submit our differences to arbitration within 90 days after payment, and you agree to cooperate with any arbitration proceedings. There will be three arbitrators: one will be appointed by us, and the second will be appointed by the other Boiler and Machinery insurer(s). Then, the two arbitrators will select a third arbitrator. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. A decision agreed to by any two of the three arbitrators will be binding on us and the Boiler and Machinery insurer(s). Judgement on any award may be sought in any court that has jurisdiction.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

SCHEDULE

DEDUCTIBLE: \$1,000

Under Coverage, the following is added:

Coverage

Laptop Computer Coverage

We will pay for direct physical loss or damage to laptop computers at any premises not shown in the Declarations or while **in transit** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for **Laptop Computers** shown in the Declarations.

Under Deductible, the following is added:

Deductible

Laptop Computers

We will pay the amount of loss or damage in excess of the Laptop Computer Deductible amount shown in the Schedule above, if such loss or damage is caused by or results from a peril not otherwise excluded to laptop computers at any premises not shown in the Declarations or while **in transit**.

The Laptop Computer Deductible amount applies:

- to laptop computers at any premises not shown in the Declarations or while **in transit** only; and
- separately to each occurrence.

The Laptop Computer Deductible amount does not apply to **business income**.

Under Conditions, the following is added to Coverage Territory:

Conditions

Coverage Territory

The coverage territory for Laptop Computer Coverage as provided for under this endorsement 80-02-1410 is worldwide, except it does not include any country where your government prohibits us from providing insurance.

Definitions

**Electronic Data
Processing Equipment**

Under Definitions, the definitions of Personal Property and Electronic Data Equipment are deleted and replaced by the following:

Electronic data processing equipment means:

- data processing systems;
- electronic systems consisting of separately identifiable and removable component memory or control boxes that are attached to and control production machinery, but not the production machinery itself; and
- equipment, component parts and related peripheral equipment, including air conditioning and fire protection equipment, used solely for data processing operations.

Electronic data processing equipment does not mean:

- systems, equipment or parts held for sale or distribution;
- systems, equipment or parts that have been sold;
- systems, equipment or parts in the course of manufacture;
- **telephone equipment; or**
- laptop computers at any premises not shown in the Declarations or while **in transit**.

Property Insurance

Endorsement

Personal Property

Personal property means:

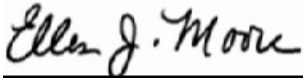
- all your business personal property;
- business personal property in which you have an insurable interest;
- **patterns, molds and dies;**
- **personal property of others;**
- labour, materials and services furnished or arranged by you on **personal property of others;**
- signs, fixtures, glass and other **tenant's improvements and betterments;** and
- glass in **buildings** you do not own if you are legally or contractually required to maintain such glass.

Personal property does not mean:

- **building**, except **tenant's improvements and betterments** and glass in **buildings** you do not own if you are legally or contractually required to maintain such glass;
- land, water or air, either inside or outside of a structure;
- growing crops;
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines required to be licensed for use on public roads;
- **contractors' equipment;**
- self-propelled watercraft, or any other watercraft over 50 feet in length, in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **money or securities;**

-
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, except as otherwise stated;
 - import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance;
 - export shipments after either being loaded on aircraft or oceangoing vessels or having come under the protection of cargo insurance;
 - animals, except animals owned by others and boarded by you or animals owned by you and held for sale; or
 - laptop computers at any premises not shown in the Declarations or while **in transit**.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

Additional Coverages

Electronic Data Recovery Costs

Under Additional Coverages, the following is added.

We will pay for **electronic data recovery costs** as a result of direct physical loss or damage to **electronic data** or a **system** caused by or resulting from **malicious programming**.

The most we will pay at all premises for the sum of such **electronic data recovery costs** that occur during each separate 12-month policy period, regardless of whether this additional coverage appears in any other contract or contracts that form a part of this policy is \$5,000.

Limits of Insurance

The following section is added:

The most we will pay for loss or damage to **electronic data** caused by or resulting from earthquake (except in California) or **flood** is the applicable limit for **electronic data processing property** shown in the declarations.

Exclusions

Under Exclusions, the following exclusions apply to Electronic Data Recovery Costs Additional Coverage and are described in the Exclusions section of the General Provisions form or any endorsement included in this policy:

*Electronic Data
Recovery Costs*

- Governmental Action
- Nuclear Hazard
- Terrorism
- War And Military Action

Under Exclusions, the following is added:

Exclusions

Electronic Data

This insurance does not apply to loss or damage to **electronic data**.

This Electronic Data exclusion does not apply:

- A. if the direct physical loss or damage is caused by or results from:
1. aircraft or self-propelled missiles;
 2. explosion;
 3. fire or lightning;
 4. leakage from fire protective equipment;
 5. mine subsidence;
 6. riot or civil commotion;
 7. sinkhole collapse;
 8. smoke;
 9. vehicles;
 10. volcanic action;
 11. windstorm or hail;
 12. earthquake (except in California) or **flood** to the extent covered under the Electronic Data Processing Property contract which is part of this policy; or
- B. to the extent insurance is provided under the Electronic Data Recovery Costs Additional Coverage.

Under Definitions, the definition of Electronic Data Processing Media is deleted and replaced with the following.

Definitions

*Electronic Data Processing
Media*

Electronic data processing media means:

- punch cards, tapes, discs, diskettes, drums, cells;
- other magnetic or optical recording or storage devices;
- **electronic data** recorded on such media; and
- any original source material used to enter or program such information.

Property Insurance

Endorsement

Electronic data processing media does not mean:

- media held for sale or distribution;
- media that has been sold;
- prepackaged software programs; or
- **telephone equipment.**

Under Definitions and only for the purposes of this endorsement, Extra Expense is deleted and replaced by the following:

Definitions

Extra Expense

Extra Expense means necessary expenses you incur in an attempt to continue **operations**, over and above the expenses you would have normally incurred.

Under Definitions, the following are added:

Definitions

Electronic Data

Electronic data means software, data or other information that is in electronic form.

Electronic Data Recovery Costs

Electronic data recovery costs means the reasonable and necessary costs you incur to:

- copy, re-create, replace or retrieve **electronic data** you own or use, or which resides on a system you own or lease; and
- restore a system you own or lease to the functionality that existed prior to the **malicious programming.**

Electronic data recovery cost does not mean the cost to repair or replace **electronic data processing equipment** or **telephone equipment** which suffers direct physical loss or damage.

Malicious Programming

Malicious programming means an illegal or malicious entry into **electronic data** or a **system** which results in functions that:

- distort;
- corrupt;
- manipulate;
- copy;
- delete;
- destroy; or
- slow down

such **electronic data** or **system**.

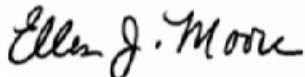
Malicious programming does not mean loss resulting from theft of telephone services.

System

System means a computer and all input, output, processing, storage, off-line media library, and communication facilities which are connected to such computer, provided such computer and facilities are:

- owned and operated by you;
- leased and operated by you; or
- utilized by you pursuant to a written contract.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

If Business Income With Extra Expense is on the policy, the following applies.

Under Extensions of Coverage, Civil Authority is deleted and replaced by the following:

Extensions of Coverage

Civil Authority

We will pay for the actual:

- **Business income** loss; or
- **extra expense**,

you incur due to the actual impairment of your **operations**, directly caused by the prohibition of access to your premises by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises by a **covered peril**, provided such property is within 1.61 kilometers.

The coverage for:

- A. **business income** will begin 24 normal business hours after the time the civil authority prohibits access and will apply for a period of up to 21 consecutive days after coverage begins; and
- B. **extra expense** will begin immediately after the time the civil authority prohibits access and will end:
 - 1. 21 consecutive days after the coverage begins; or
 - 2. whenever your **business income** coverage ends,

whichever is later.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

If Business Income Without Extra Expense is on the policy, the following applies.

Under Extensions of Coverage, Civil Authority is deleted and replaced by the following:

Extensions of Coverage

Civil Authority

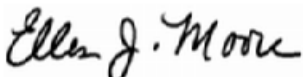
We will pay for the actual **business income** loss you incur due to the actual suspension of your **operations**, directly caused by the prohibition of access to your premises by a civil authority.

This prohibition of access by a civil authority must be the direct result of direct physical loss or damage to property away from such premises by a **covered peril**, provided such property is within 1.61 kilometers.

The coverage for **business income** will begin 24 normal business hours after the time the civil authority prohibits access and will apply for a period of up to 21 consecutive days after coverage begins.

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

If Business Income With Extra Expense is on the policy, the following applies.

Under Extensions of Coverage, the following is added:

Extensions of Coverage

Biological Agents Clean up or Removal

We will pay for the actual:

- **business income** loss; and
- **extra expense**,

you incur due to the actual impairment of your **operations** during the **period of restoration**.

This actual impairment of **operations** must be caused by or result from the presence of **biological agents** at your premises shown in the Declarations.

Coverage will begin immediately after the date the **biological agents** first appeared and will end:

- 30 days after this coverage begins; or
- when your **business income** coverage ends,

whichever occurs first.

The 30 days shown above do not need to be in consecutive order.

This Extension of Coverage does not apply if the presence of **biological agents**:

-
- A. is caused by or results from:
 - 1. a peril that is excluded under this insurance; or
 - 2. moisture, other than **water** and **flood**, if **flood** would be covered under this insurance;
 - B. existed prior to the effective date shown in the Declarations;
 - C. are not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care should have been aware, of the presence of the **biological agents**.

**Extensions of
Coverage**
*Biological Agents
Clean up or Removal*

If Business Income Without Extra Expense is on the policy, the following applies.

Under Extensions of Coverage, the following is added:

We will pay for the actual **business income** loss you incur due to the actual suspension of your **operations** during the **period of restoration**.

This actual suspension of **operations** must be caused by or result from the presence of **biological agents** at your premises shown in the Declarations.

Coverage will begin immediately after the date the **biological agents** first appeared and will end:

- 30 days after this coverage begins; or
- when your **business income** coverage ends,

whichever occurs first.

The 30 days shown above do not need to be in consecutive order.

This Extension of Coverage does not apply if the presence of **biological agents**:

- A. is caused by or results from:
 - 1. a peril that is excluded under this insurance; or
 - 2. moisture, other than **water** and **flood**, if **flood** would be covered under this insurance;

Property Insurance

Endorsement

- B. existed prior to the effective date shown in the Declarations;
- C. are not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care should have been aware, of the presence of the **biological agents**.

Under Exclusions, the following is added:

Exclusions

Biological Agents

This insurance does not apply to loss or damage:

- which is a **biological agent**;
- which is in anyway attributed to the presence of a **biological agent** ; or
- caused by or resulting from a **biological agent** ,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Biological Agents exclusion does not apply:

- A. when the presence of a **biological agent** results from:
 1. explosion;
 2. fire;
 3. leakage from fire protection equipment; or
 4. lightning; or
- B. to the extent insurance is provided under the Biological Agent Clean Up or Removal Additional Coverage.

Under Definitions and only for the purposes of this endorsement, Extra Expense is deleted and replaced by the following:

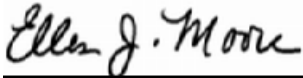
Definitions

Extra Expense

Extra expense means necessary expenses you incur in an attempt to continue **operations**, over and above the expenses you would have normally incurred.

The Definitions shown in the Special Property Provisions - Biological Agents Endorsement, Form 80-02-1477, apply to this Endorsement.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

The following applies to all forms shown above:

Under Additional Coverages, the following is added:

Additional Coverages

Biological Agents Clean up or Removal

We will pay the costs you incur to clean up, remove, restore or replace covered property because of the presence of **biological agents** at the premises shown in the Declarations.

The most we will pay at the premises for the sum of all such covered costs that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy is \$15,000.

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **biological agents**, other than payment for testing that is performed during the clean up or removal of the **biological agents**.

This Additional Coverage does not apply if the presence of **biological agents**:

- A. is caused by or results from:
 - 1. a peril that is excluded under this insurance; or
 - 2. moisture, other than **water** or **flood**, if the **flood** would be covered under this insurance;
- B. existed prior to the effective date shown in the Declarations;
- C. are not reported to us in writing as soon as possible after you first become aware, or in the exercise of reasonable care, should have been aware, of the presence of the **biological agents**.

Under Exclusions, the following is added:

Exclusions

Biological Agents

This insurance does not apply to loss or damage:

- which is a **biological agent**;
- which is in anyway attributed to the presence of a **biological agent** ; or
- caused by or resulting from a **biological agent** ,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Biological Agents exclusion does not apply:

- A. when the presence of a **biological agent** results from:
 - 1. explosion;
 - 2. fire;
 - 3. leakage from fire protection equipment; or
 - 4. lightning; or
- B. to the extent insurance is provided under the Biological Agent Clean Up Or Removal Additional Coverage.

Property Insurance

Endorsement

Under Definitions, the Definition of Pollutants is deleted and replaced with the following:

Definitions

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

Pollutants does not mean a **biological agent**.

Under Definitions, the following definitions are added:

Definitions

Biological Agents

Biological agents means any:

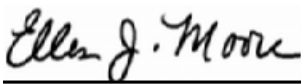
- A. 1. bacteria;
 2. mildew, mould, or other fungi;
 3. other micro-organisms; or
 4. any mycotoxins, spores, or other by-products of any of the foregoing;
- B. viruses or other pathogens (whether or not a micro-organism); or
- C. colony or group of any of the foregoing.

Water

Water means water that:

- escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground storage tanks, underground piping or underground tubing) provided such water is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;
- backs up or overflows through sewers, drains or sump;
- seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or
- enters doors, windows or other openings in any building or other structure.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

CE 80-02-1035 Property Insurance General Provisions

Under General Provisions, Form CE 80-02-1035, Definitions, the definition of **Contractors Equipment** is deleted in its entirety and replaced with the following:

Definitions

Contractors' Equipment

Contractors' equipment means the contractors' machinery and equipment, including accessories, tools and spare parts for the contractors' machinery and equipment, usual to your business which you own, lease or borrow, and for which you are liable.

Contractors' equipment does not mean:

- aircraft or watercraft;
- motor vehicles required to be licensed for highway use, except motor vehicles on which your contractors' machinery or equipment is permanently mounted;
- property while underground, except while in transit through vehicular or railroad tunnels;
- office equipment, which is the contents of trailers, unless that equipment is otherwise shown;
- property while waterborne or while being loaded or unloaded for waterborne transit, except while in transit on public ferries or car floats for hire;
- **property while airborne or suspended from aircraft;**
- property while leased or loaned to others; or
- property while on any platform anchored, permanently or temporarily, in any body of water.
- export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance; or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale.

All other terms and conditions remain unchanged.

Ellen J. Moore

President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

CE 80-02-1021 Personal Property In Transit Contract
CE 80-02-1080 Contractors' Equipment Contract
CE 80-02-1017 Electronic Data Processing Property Contract

Under Exclusions, and only with respect to the forms shown above, the following is added:

Exclusions

Electrical and Mechanical Breakdown Or Derangement

This insurance does not apply to loss or damage caused by or resulting from electrical and mechanical breakdown, electrical and mechanical derangement or the cost to recalibrate electrical and mechanical devices.

This exclusion does not apply to:

- electrical and mechanical breakdown, electrical and mechanical derangement or the cost to recalibrate electrical and mechanical devices due to fire;
- electrical and mechanical breakdown, electrical and mechanical derangement or the cost to recalibrate electrical and mechanical devices due to **crash, collision, upset or overturn** as evidenced by external visible damage to insured property or its packaging; or
- ensuing loss or damage unless another exclusion applies.

Marring, Denting, Chipping And Scratching

This insurance does not apply to loss or damage caused by or resulting from marring, denting, chipping or scratching unless caused by or resulting from a peril not otherwise excluded.

*Rust, Oxidation,
Corrosion Or
Discoloration*

This insurance does not apply to loss or damage caused by or resulting from rust, oxidation, corrosion or discoloration unless caused by or resulting from a peril not otherwise excluded.

Definitions

*Crash, Collision,
Upset or Overturn*

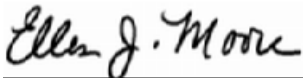
Under Definitions, and only with respect to the forms shown above, the following Definition is added:

Crash, collision, upset or overturn means crash, collision, upset or overturn of the conveyances on which Property shown in the Schedule above is shipped.

Crash collision, upset or overturn does not mean:

- collision of such conveyances with overpasses;
- contact of such conveyances with curbs, loading docks, marine docks, piers, railroad ties, railroad roadbed, roads or streets, runways or wharves; or
- the coming together of conveyances during coupling.

All other terms and conditions remain unchanged.



President

Property Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

CE 80-02-1035 Property Insurance General Provisions
CE 80-02-1021 Personal Property In Transit Contract
CE 80-02-1080 Contractors' Equipment Contract

The Coverage Territory provision is deleted in its entirety and replaced with the following; but this endorsement applies only with respect to **personal property while in transit and contractors' equipment.**

Coverage Territory

The Coverage Territory is worldwide, except it does not include:

- A. any export, import or domestic waterborne shipment by any vessel making a:
1. coastal passage within territorial waters of a country; or
 2. international water passage; or
- except any shipments in any over-the-road conveyance by ferry;
- B. **personal property or contractors' equipment while airborne or while suspended from aircraft; or**
- C. any country in which your government prohibits us from providing insurance.

All other terms and conditions remain unchanged.

Ellen J. Moore

President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Property Insurance Contracts

Under Exclusions, the following is added:

Exclusions

Terrorism

This insurance does not apply to loss or damage caused by or resulting from **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**. Such loss or damage is excluded regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Under Definitions, the following definition is added:

Definitions

Terrorism

Terrorism means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

All other terms and conditions remain unchanged.

Ellen J. Moore

President

Property Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

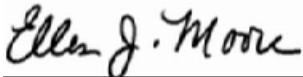
All applicable Property Insurance Contracts

Loss Payee and/or Mortgagee Schedule

Loss Payee(s):

As per Certificate of Insurance

All other terms and conditions remain unchanged.



President

Liability Insurance

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

The following is a schedule of forms issued with the policy at inception:

Form Number	Form Name
80-02-0010	Liability Declaration
80-02-2000	General Liability Contract
80-02-2012	Employee Benefits Errors or Omissions
80-02-2321	Deductible Liability
80-02-2504	A- Employment Related Practices Exclusion
80-02-2504	B- Amended Employers Liability Exclusion
80-02-2504	C- Amended Coverage Territory
80-02-2526	S.E.F. No. 94 - Legal Liability for Damage to Hired Automobiles
80-02-2534	SEF No. 96 Contractual Liability Endorsement
80-02-2535	S.E.F. No. 99 - Excluding Long Term Leased Vehicles
80-02-2575	Forest and Prairie Fire Fighting Expense
80-02-2577	Exclusion - Ocean, Gulfs, Bays or Other Bodies of Water
80-02-2583	Exclusion – Underground Resources & Equipment
80-02-2584	Exclusion – Control of Well
80-02-6552	Exclusion - Asbestos, Silica or Similar Compounds, including Mixed Dust
80-02-7003	Additional Insured - Designated Person or Organization (Operations of Insured)
80-02-7016	Liability Endorsement - War Or Terrorism Exclusion
80-02-7021	General Aggregate
80-02-7022	Energy Hostile Fire Pollution Exclusion
80-02-7025	Aircraft, Auto or Watercraft Exclusion
80-02-7032	Exclusion - Occupational Disease
80-02-7035	Exclusion - Radioactive Material
80-02-7037	Testing or Consulting Errors and Omissions
80-02-7039	Professional Liability - Engineers, Architects or Surveyors Exclusion
80-02-1408	Named Insured
80-02-9090	Common Policy Conditions

Liability Insurance

Declarations

Chubb Insurance Co. of Canada

1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

Effective Date: February 1, 2008

Policy Number: 37112888

Named Insured and Mailing Address:

Participating members of the Prospectors and
Developers Association (See Form 80-02-1408)
34 King Street East
Toronto, Ontario
M5C 2X8

Producer Name and Mailing Address:

Partners Indemnity - PDAC Affinity Group
10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Producer No.: 04803-000

Policy Period

From: February 1, 2008

To: February 1, 2009

12:01 A.M. standard time at the Named Insured's mailing address shown above.

Liability Coverages

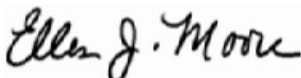
Limit of Insurance

General Liability

General Aggregate Limit	\$10,000,000
Each Occurrence Limit	\$1,000,000
Products/Completed Operations Aggregate Limit	\$1,000,000
Advertising Injury and Personal Injury	\$1,000,000
Medical Expense Limit	\$10,000
Deductible: Bodily Injury and Property Damage per occurrence	\$1,000

Employee Benefits Errors or Omissions

Aggregate Limit	\$1,000,000
Each Claim Limit	\$1,000,000
Retroactive Date:	February 1, 2007
Deductible - Each Claim	\$1,000



President

General Liability

Table of Contents

Contract	2
Who Is Insured	2
Coverage	6
Limits Of Insurance	6
Investigation, Defense And Payment Of Damages	7
Supplementary Payments	8
Coverage Territory	8
Bodily Injury/Property Damage Exclusions	9
Advertising Injury/ Personal Injury Exclusions	12
Medical Expense Exclusions	13
Policy Exclusions	14
Liability Conditions	16
Definitions	20

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is Insured section of this contract.

Who Is Insured

Sole Proprietorship

If you are an individual, you and your spouse are **insureds**, but only with respect to the conduct of a business of which you are the sole owner.

Partnership Or Joint Venture

If you are a partnership or joint venture, you are an **insured**. Your members, your partners, and their spouses are also **insureds**, but only with respect to the conduct of your business.

Other Organizations

If you are an organization other than a partnership, or joint venture, you are an **insured**. Your **executive officers** and directors are **insureds**, but only with respect to their duties as your officers or directors. Your stockholders are also **insureds** but only with respect to their liability as stockholders.

Employees

Your **employees**, other than your **executive officers**, are **insureds**, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

No **employee** is an **insured** for:

A. **bodily injury or personal injury:**

1. to you, your partners or members (if you are a partnership, joint venture or limited liability company), or to a **co-employee** while in the course of his or her employment or while performing duties related to the conduct of your business;
2. to the spouse, child, parent, brother or sister of that **co-employee** as a consequence of paragraph A.1. above; or
3. for which there is any obligation to share damages with or repay someone else who must pay damages because of an injury described in A.1. or A.2. above;

Paragraphs A.1., A.2., and A.3. do not apply to officers or supervisors.

General Liability

- B. **Property damage** to property owned or occupied by or rented or loaned to that **employee**, any of your other **employees**, or any of your partners or members (if you are a partnership, joint venture or limited liability company).

Volunteer Workers

Your volunteer workers (at your option) are **insureds**.

Real Estate Manager

Any person (other than your **employee**) or any organization while acting as your real estate manager are **insureds**.

Custodian

Any person or organization having proper temporary custody of your property if you die are **insureds**, but only with respect to the maintenance or use of that property until your legal representative has been appointed.

Legal Representative

Your legal representative is an **insured**, if you die. That representative will have all of your rights and duties, but is an **insured** only with respect to his duties as your legal representative.

Permissive User Of Mobile Equipment

With respect to **mobile equipment** registered in your name under any motor vehicle registration law:

- any person is an **insured** while driving such equipment along a public highway with your permission; and
- any other person or organization responsible for the conduct of such person is also an **insured**, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability.

No person or organization is an **insured** with respect to:

- **bodily injury** to a co-**employee** of the person driving the equipment; or
 - **property damage** to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an **insured** under this provision.
-

Vendors

Any vendor is an **insured**, but only with respect to **bodily injury** or **property damage** arising out of the distribution or sale of **your products** in the regular course of that vendor's business and only if products/completed operations coverage is provided under this contract.

No vendor is an **insured** with respect to:

- **bodily injury** or **property damage** for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

- any express warranty unauthorized by you;
- any physical or chemical change in **your products** made intentionally by the vendor;
- repacking, unless unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instruction from the manufacturer and then repacked in the original container;
- demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of **your products**;
- **your products** which after distribution or sale by you have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance, by or for the vendor;
- any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of **your products**;
- any of **your products** or completed operations contained within the **products-completed operations hazard** which have been excluded from this insurance; or
- any **occurrence** which takes place after the contract with the vendor expires or the end of the policy period, whichever comes first.

This insurance does not apply to any person or organization, as **insured**, from whom you have acquired **your products** or any ingredient, part or container, entering into, accompanying or containing **your products**.

General Liability

Lessors Of Premises

Any lessor of leased premises is an **insured**, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and only if you are contractually obligated to provide such coverage as is afforded by this contract.

No lessor is an **insured** with respect to:

- any **occurrence** which takes place after you cease to be a tenant in the premises or the end of the policy period, whichever comes first;
- structural alterations, new construction, or demolition operations performed by or on behalf of the lessor; or
- **bodily injury, property damage, advertising injury, or personal injury** arising out of the sole negligence of the lessor.

Lessors Of Leased Equipment

Any lessor of equipment leased to you is an **insured**, but only with respect to **bodily injury or property damage** arising out of the maintenance, operation or use by you of the equipment and only if you are contractually obligated to provide such coverage as is afforded by this contract.

No lessor is an **insured** with respect to:

- any **occurrence** which takes place after any equipment lease expires or the end of the policy period, whichever comes first; or
- **bodily injury or property damage** arising out of the sole negligence of the lessor.

Subsidiaries Or Newly Acquired Or Formed Organizations

If there is no other similar insurance available, the following will qualify to be a named **insured**:

- Any financially controlled subsidiary of yours; or
- Any organization you newly acquired or formed during the policy period, other than a partnership or joint venture, and over which you maintain ownership or majority interest. This coverage is effective on the acquisition or formation date and is afforded only until the end of the policy period during which the acquisition or formation took place.

No subsidiary or newly acquired or formed organization is an **insured** with respect to:

- **bodily injury or property damage** that occurred before you acquired or formed the organization; or
- **advertising injury or personal injury** arising out of an offense committed before you acquired or formed the organization.

Limitation On Who Is Insured

No one is an **insured** for the conduct of any current or past partnership or joint venture that is not shown as a named **insured** in the Declarations.

Coverage

Bodily Injury, Property Damage, Advertising Injury, And Personal Injury

Subject to the applicable Limits Of Insurance, we will pay damages the **insured** becomes legally obligated to pay by reason of liability imposed by law or assumed under an **insured contract** for:

- **bodily injury** or **property damage** to which this insurance applies caused by an **occurrence**; or
- **advertising injury** or **personal injury** to which this insurance applies caused by an offense.

This insurance applies to:

- **bodily injury** or **property damage** which occurs during the policy period; and
- **advertising injury** or **personal injury** caused by an offense committed during the policy period.

Damages for **bodily injury** include damages claimed by any person or organization for care or loss of services resulting at any time from the **bodily injury**.

Medical Expense

Subject to the applicable Limits Of Insurance, we will pay each person who sustains **bodily injury** caused by an accident all **medical expense**s incurred and reported to us within three years from the date of the accident.

The accident must take place during the policy period and the **bodily injury** must arise out of premises or operations for which you are afforded **bodily injury** liability coverage under this contract. The injured person must submit to examination, at our expense, by physicians of our choice as often as we reasonably require.

It is a condition of this coverage that pursuant to any provincial hospital acts or statutes, that any hospital benefit payable under this coverage shall be limited to reimbursement of the actual hospital expense incurred which is in excess of those hospital benefits for which provision has been made under any said act or statute.

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- claims made or **suits** brought; or
- persons or organizations making claims or bringing **suits**.

General Liability

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

Products-Completed Operations Aggregate Limit

Subject to the Each Occurrence Limit, the Products-Completed Operations Aggregate Limit is the most we will pay for damages under **bodily injury** and **property damage** coverage included in the **products-completed operations hazard**.

Advertising Injury And Personal Injury Limit

The Advertising Injury And Personal Injury Limit is the most we will pay under **advertising injury** and **personal injury** coverage for the sum of all damages involving the same oral or written publication of material, or the same act, regardless of the frequency or repetition thereof, the number or kind of media used, and the number of claimants.

Each Occurrence Limit

The Each Occurrence Limit is the most we will pay for the sum of:

- damages under **bodily injury** and **property damage** coverage; and
- **medical expense**s under Medical Expense coverage

because of all **bodily injury** and **property damage** arising out of any one **occurrence**.

Any amount paid for damages arising out of an **occurrence** will reduce the amount of the applicable Aggregate Limit available for payment of damages arising out of any other **occurrence**.

If the applicable Aggregate Limit has been reduced by payment of damages to an amount that is less than the Each Occurrence Limit stated in the Declarations, the remaining Aggregate Limit is the most that will be available for payment of damages arising out of any other **occurrence**.

Medical Expense Limit

Subject to the Each Occurrence Limit described above, the Medical Expense Limit is the most we will pay under Medical Expense coverage for all **medical expense** because of **bodily injury** sustained by one person.

Investigation, Defense And Payment Of Damages

We will have the right and duty to defend any **insured** against a **suit** seeking damages for **bodily injury**, **property damage**, **advertising injury**, or **personal injury**. However, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance does not apply. We may at our discretion investigate any **occurrence** or offense and settle any claim or **suit** that may result.

The amount we will pay for damages is limited as described in Limits Of Insurance. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of judgments or settlements under **bodily injury, property damage, advertising injury, personal injury or medical expense**.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any **suit** against an **insured** we defend:

- all expenses we incur;
- up to \$2000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the **bodily injury** liability coverage applies. We do not have to furnish these bonds;
- the premium amount of bonds to release attachments, but only for premium amounts within the amount of insurance available. We do not have to furnish these bonds;
- reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings up to \$1,000 a day because of time off from work;
- costs taxed against the **insured** in the **suit**;
- prejudgment interest awarded against the **insured** on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
- all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.

These payments will not reduce the Limits Of Insurance.

Coverage Territory

This insurance applies anywhere. However, the **insured's** responsibility to pay damages must be determined in a **suit** on the merits in Canada, the United States of America, their territories or possessions, or Puerto Rico, or in a settlement we agree to.

General Liability

None of the following exclusions, except Contractual Liability and Expected or Intended Injury, apply to damage to premises rented to you.

Bodily Injury/Property Damage Exclusions

Aircraft, Auto Or Watercraft

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, use, entrustment to others or operation by or on behalf of the **insured** of:

- a) any **auto**, motorized snow vehicle or its trailers, any vehicle which if it were to be insured would be required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract or such a contract that would be in effect but for its termination upon exhaustion of its limit of insurance;
- b) watercraft over sixteen (16) meters, other than the **insured's** liability for watercraft chartered by or on behalf of the **insured** used in connection with operations usual or incidental to the **insured's** business where the **insured** or any of his **employees** do not own or operate the watercraft, but this exclusion does not apply to **bodily injury** to an **employee** of the **insured** on whose behalf contributions are made or required to be made by the **insured** under the provisions under any Workers Compensation law;
- c) any aircraft which any **insured** owns, operates, rents or borrows, except this exclusion does not apply to aircraft you do not own, provided:
 1. the pilot in command holds a currently effective certificate, issued by the duly constituted authority of Canada or the United States of America, designating him or her a commercial or airline transport pilot;
 2. it is rented with a trained, paid crew; and
 3. it is not being used to carry persons or property for a charge.

This exclusion does not apply to the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any **auto** while at the site of the use or operation of such equipment or to **bodily injury** to an **employee** of the **insured** on whose behalf contributions are made or required to be made by the **insured** under the provisions under any Workers Compensation law.

Contractual Liability

This insurance does not apply to **bodily injury** or **property damage** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- that the **insured** would have in the absence of the contract or agreement; or
- assumed in an oral or written contract or agreement that is an **insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the contract or agreement. When a claim for such **bodily injury** or **property damage** is made, we will defend that claim provided the **insured** has assumed the obligation to defend such claim in the **insured contract**. Such defense payments will not reduce the Limits of Insurance.

Damage To Impaired Property

This insurance does not apply to **property damage** to **impaired property** or property that has not been physically injured arising out of:

- a defect, deficiency, inadequacy, or dangerous condition in **your product** or **your work**; or
- a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

Damage To Property Of Others (Care, Custody Or Control)

This insurance does not apply to **property damage** to:

- personal property of others you rent;
- property of others you hold for sale or entrusted to you for storage or safekeeping;
- property of others on your premises for the purpose of having operations performed on such property by you or on your behalf;
- tools or equipment of others while being used by you in performing your operations; or
- property of others in your custody which you will be installing, erecting, or using in construction.

This exclusion does not apply to liability assumed under a sidetrack agreement.

Damage To Your Product

This insurance does not apply to **property damage** to **your product** arising out of it or any part of it.

Damage To Your Work

This insurance does not apply to **property damage** to **your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

General Liability

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

Employer's Liability

This insurance does not apply to **bodily injury** to an **employee** of the **insured** arising out of and in the course of employment by the **insured**. This exclusion applies:

- (a) whether the **insured** may be liable as an employer or in any other capacity, and
- (b) to any obligation to share damages with or repay someone else who must pay damages because of the injury.

but this exclusion does not apply to:

- (a) liability assumed by the **insured** under an **insured contract**; or
- (b) **employees** on whose behalf contributions are made by σ required to be made by the **insured** under the provisions of any workers compensation law.

Intentional Acts

This insurance does not apply to **bodily injury** caused intentionally by or at the direction of the **insured**, except when caused to protect persons σ property; however this exclusion shall not apply to any **insured** who neither sanctioned, nor had knowledge of, nor was a party to the causing of such **bodily injury**.

Liquor Liability

This insurance does not apply to **bodily injury** or **property damage** for which any **insured** may be held liable by reason of:

- causing or contributing to the intoxication of any person;
- the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Product Recall

This insurance does not apply to **bodily injury** or **property damage** claimed for any loss, cost, or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- **your product**;
- **your work**; or
- **impaired property**

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

Property Formerly Owned

This insurance does not apply to **property damage** to premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises.

This exclusion does not apply if the premises are **your work** and were never occupied, rented, or held for rental by you.

Property Owned

This insurance does not apply to **property damage** to property you own.

Transportation Of Mobile Equipment

This insurance does not apply to **bodily injury** or **property damage** arising out of the transportation of **mobile equipment** by an **auto** owned or operated by or rented or loaned to any **insured**.

Workers' Compensation And Similar Laws

This insurance does not apply to any obligation of the **insured** under a workers compensation, disability benefits or unemployment compensation law or any similar law.

**Advertising Injury/
Personal Injury
Exclusions**

*Advertising,
Broadcasting,
Publishing, Telecasting
or Telemarketing
Business*

This insurance does not apply to **advertising injury** or **personal injury** arising out of an offense committed by an **insured** whose business is advertising, broadcasting, publishing, telecasting or telemarketing.

This exclusion does not apply to offenses A or C. under the definition of **personal injury**.

Breach Of Contract

This insurance does not apply to **advertising injury** arising out of breach of contract, other than misappropriation of advertising ideas under an implied contract.

General Liability

Contractual Liability

This insurance does not apply to **advertising injury** or **personal injury** for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

- that the **insured** would have in the absence of the contract or agreement; or
- assumed in a written contract or agreement that is an **insured contract**, provided the **advertising injury** or **personal injury** results from an offense committed subsequent to the execution of the contract or agreement. When a claim for such **advertising injury** or **personal injury** is made, we will defend that claim provided the **insured** has assumed the obligation to defend such claim in the **insured contract**. Such defense payments will not reduce the Limits of Insurance.

Failure To Conform To Advertising

This insurance does not apply to **advertising injury** arising out of the failure of goods, products or services to conform with advertised quality or performance.

Intentional Falsehoods

This insurance does not apply to **advertising injury** or **personal injury** arising out of oral or written publication of material if done by or at the direction of the **insured** with knowledge of its falsity.

Prior Acts

This insurance does not apply to **advertising injury** or **personal injury** arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

Willful Violations

This insurance does not apply to **advertising injury** or **personal injury** arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of the **insured**.

Wrong Description

This insurance does not apply to **advertising injury** arising out of the wrong description of the price of goods, products or services.

Medical Expense Exclusions

Athletic Activities

This insurance does not apply to **medical expense** for **bodily injury** to any person taking part in athletics.

Injury To An Insured

This insurance does not apply to **medical expense** for **bodily injury** to any **insured**.

Injury To A Tenant

This insurance does not apply to **medical expense** for **bodily injury** to any tenant or other person regularly residing on the premises, or any **employee** of such tenant or other person while engaged in the employment thereof.

Products-Completed Operations

This insurance does not apply to **medical expense** for **bodily injury** included within the **products-completed operations hazard**.

Workers' Compensation And Similar Laws

This insurance does not apply to **medical expense** for **bodily injury** to a person, whether or not an **employee** of any **insured**, if benefits for the **bodily injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

Policy Exclusions

Nuclear Energy

- A. This insurance does not apply to **bodily injury, nuclear property damage, advertising injury** or **personal injury**:
1. with respect to which an **insured** under the policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its limit of liability; or
 2. resulting from the **hazardous properties of nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- B. Under any Medical Expense coverage, this insurance does not apply to expenses incurred with respect to **bodily injury** resulting from the **hazardous properties of nuclear material** and arising out of the operation of a **nuclear facility** by any person or organization.
- C. This insurance does not apply to **bodily injury, nuclear property damage, advertising injury**, or **personal injury** resulting from the **hazardous properties of nuclear material**, if:
1. the **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured** or (b) has been discharged or dispersed therefrom;
 2. the **nuclear material** is contained in **spent fuel** or **nuclear waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **insured**; or

General Liability

3. the **bodily injury, nuclear property damage, advertising injury** or **personal injury** arises out of the furnishing by an **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion 3. applies only to **nuclear property damage** to such **nuclear facility** and any property therein.

Pollution

- A. This insurance does not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of **pollutants**:
1. at or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**;
 2. at or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
 3. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you may be legally responsible; or
 4. at or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations:
 - a. if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor; or
 - b. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**.

Subparagraphs A.1. and A.4.a. do not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of heat, smoke or fumes from a **hostile fire**.

- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 2. claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to, or assessing the effects of **pollutants**.

This exclusion does not apply to damage to premises rented to you caused by fire, explosion, smoke or leakage from fire protective equipment.

Liability Conditions

Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of any obligation to which this insurance applies.

Concealment Or Misrepresentation

This insurance is void if the **insured** intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Duties In The Event Of Occurrence, Offense, Claim Or Suit

- A. You must see to it that we are notified as soon as practicable of an **occurrence** or an offense which may result in a claim. To the extent possible, notice should include:
1. how, when and where the **occurrence** or offense took place;
 2. the names and addresses of any injured persons and witnesses; and
 3. the nature and location of any injury or damage arising out of the **occurrence** or offense.
- B. If a claim is made or **suit** is brought against any **insured**, you must:
1. immediately record the specifics of the claim or **suit** and the date received; and
 2. notify us in writing as soon as practicable.

General Liability

- C. You and any other involved **insured** must:
1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 2. authorize us to obtain records and other information;
 3. cooperate with us in the:
 - a. investigation or settlement of the claim or
 - b. defense of the **suit**; and
 4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- D. No **insureds** will, except at that **insured's** own cost, make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- E. Notice given by or on behalf of:
1. the **insured**;
 2. the injured person; or
 3. any other claimant;
- to any licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.
- F. Knowledge of an **occurrence** or offense by any agent or **employee** of the **insured** will not constitute knowledge by the **insured**, unless an officer or his designee receives such notice from its agent or **employee**.
- G. Failure of an agent or **employee** of the **insured**, other than an officer or his designee, to notify us of any **occurrence** or offense which he knows about will not affect the insurance afforded you by this contract.
- H. If the **insured** reports any **occurrence** or offense as a Workers Compensation claim which later develops into a liability claim, the failure to report such **occurrence** or offense to us will not violate this provision provided the **insured** gives us immediate notice as soon as they are made aware of the fact that the **occurrence** or offense is a claim under this contract.
-

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;
- an arbitration proceeding; or
- an alternative resolution proceeding,

but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits of Insurance.

Other Insurance

If other valid and collectible insurance is available to the **insured** for a loss we cover under **bodily injury, property damage, advertising injury** or **personal injury** coverage of this insurance, our obligations are limited as follows:

Primary Insurance

This insurance is primary except when the Excess Insurance provision described below applies.

If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then we will share with all that other insurance by the method described in the Method of Sharing provision described below.

Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- A. that is Fire, Extended Coverage, Builders' Risk, Installation Risk or similar coverage for **your work**;
- B. that is Fire insurance for premises rented to you;
- C. if the loss arises out of the maintenance or use of aircraft, **autos** or watercraft to the extent not subject to the Aircraft, Auto Or Watercraft exclusion; or

General Liability

D. that is valid and collectible **bodily injury, property damage, advertising injury, or personal injury** insurance:

1. provided to you by anyone working under contract for you; or
2. provided by another party's policy to which you have been added as an additional insured.

When this insurance is excess, we will have no duty under **bodily injury, property damage, advertising injury or personal injury** coverages to defend any **insured** against a **suit** that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the **insured's** rights against all those other insurers.

If other valid and collectible insurance is available to the **insured** for a loss we cover under **bodily injury, property damage, advertising injury or personal injury** coverage of this insurance, our obligations are limited as follows:

- the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates.

In accordance with the Estimated Premiums section of the Premium Summary, premiums identified by an asterisk are estimated premiums and are subject to audit. In addition to or in lieu of such designation in the Premium Summary, premiums may be designated as estimated premiums in the Liability Insurance Section of this policy. In that event, these premiums will also be subject to audit and the second paragraph of the Estimated Premiums section of the Premium Summary will apply.

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Transfer Of Rights Of Recovery

If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

This condition does not apply to **medical expense**.

Definitions

Advertising Injury

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Advertising injury means injury arising out of one or more of the following offenses committed in the course of the **insured**'s advertising activities:

- (a) oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- (b) oral or written publication of material that violates a person's right of privacy;
- (c) misappropriation of advertising ideas or style of doing business; or
- (d) infringement of copyright, title or slogan.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include **mobile equipment**.

General Liability

Bodily Injury

Bodily injury means:

(a) physical:

- injury,
- sickness, or
- disease,

sustained by a person and, if arising out of the foregoing, mental injury, shock, humiliation or death at any time.

(b) mental anguish.

Employee

Employee includes a **leased worker** but does not include a **temporary worker**.

Executive Officer

Executive officer means a person holding any of the officer positions created by your charter, constitution or by-laws.

Hazardous Properties

Hazardous properties includes radioactive, toxic or explosive properties.

Hostile Fire

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

Impaired Property

Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

- it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate, or dangerous; or
- you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- the repair, replacement, adjustment, or removal of **your product** or **your work**; or
- your fulfilling the terms of the contract or agreement.

Insured

Insured means any person or organization qualifying as an insured under the Who Is Insured provision and against whom claim is made or **suit** is brought.

Insured Contract

Insured contract means:

- a lease of premises;
- a sidetrack agreement;
- an easement or license agreement;
- an obligation as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- an elevator maintenance agreement;
- that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for **bodily injury, property damage, advertising injury, or personal injury** to a third person or organization.

An **insured contract** does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
- giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

Leased Worker

Leased worker means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.

Medical Expense

Medical expense s means reasonable expenses for:

- first aid administered at the time of an accident;
- necessary medical, surgical, x-ray, and dental services, including prosthetic devices; and
- necessary ambulance, hospital, professional nursing and funeral services.

Mobile Equipment

Mobile equipment means any of the following types of land vehicles, including any attached machinery or equipment:

- A. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- B. vehicles maintained for use solely on or next to premises you own or rent;
- C. vehicles that travel on crawler treads;

General Liability

- D. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - 1. power cranes, shovels, loaders, diggers or drills; or
 - 2. road construction or resurfacing equipment such as graders, scrapers or rollers;
- E. vehicles not described in A., B., C. or D. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - 1. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - 2. cherry pickers and similar devices used to raise or lower workers; and
- F. vehicles not described in A., B., C. or D. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **autos**:
 - 1. equipment designed primarily for:
 - a. snow removal;
 - b. road maintenance, but not construction or resurfacing;
 - c. street cleaning;
 - 2. cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - 3. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

Nuclear Facility

Nuclear facility means:

- A. any **nuclear reactor**;
- B. any equipment or device designed or used for:
 - 1. separating the isotopes of uranium or plutonium;
 - 2. processing or utilizing **spent fuel**; or
 - 3. handling, processing or packaging **nuclear waste**;

-
- C. any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- D. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **nuclear waste**,
- and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear Material

Nuclear material means **source material**, **special nuclear material** or **by-product material**.

Nuclear Property Damage

Nuclear property damage means **property damage** including all forms of radioactive contamination of property.

Nuclear Reactor

Nuclear reactor means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

Nuclear Waste

Nuclear waste means any waste material:

- A. containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
- B. resulting from the operation by any person or organization of any **nuclear facility** Included within the definition of **nuclear facility** under paragraph A. or B.

Occurrence

Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Personal Injury

Personal injury means injury, other than **bodily injury**, arising out of one or more of the following offenses committed in the course of the **insured's** business, other than advertising activities:

- (a) false arrest, malicious prosecution, willful or wrongful detention or imprisonment;
- (b) libel, slander or other defamation of character, invasion of privacy;
- (c) wrongful eviction or wrongful entry, or trespass; or

General Liability

- (d) discrimination, except where it is a violation of a statute or regulation prohibiting insurance for such and except when alleged, charged or suffered by an applicant for employment, an officer, partner, **employee** or former officer, partner or **employee** of the **insured**, or a prospective **employee**.
- (e) humiliation.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

Products-Completed Operations Hazard

1. **Products-completed operations hazard** includes all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:
 - products that are still in your physical possession; or
 - work that has not yet been completed or abandoned.
2. **Your work** will be deemed completed at the earliest of the following times:
 - when all of the work called for in your contract has been completed.
 - when all of the work to be done at the site has been completed if your contract calls for work at more than one site;
 - when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

3. This hazard does not include **bodily injury** or **property damage** arising out of:
 - the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the loading or unloading of it;
 - the existence of tools, un-installed equipment or abandoned or unused materials;
 - products or operations for which the classification in our manual rules includes products or completed operations.

Property Damage

Property damage means:

- physical injury to tangible property including the resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

*Source Material
Special Nuclear
Material, and By-
Product Material*

Source material, special nuclear material, and by-product material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

Spent Fuel

Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

Suit

Suit means a civil proceeding in which damages because of **bodily injury, property damage, advertising injury or personal injury** to which this insurance applies are alleged. **Suit** also includes:

- an arbitration proceeding in which such damages are claimed and to which the **insured** must submit or does submit with our consent; or
- any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.

Temporary Worker

Temporary worker means a person who is furnished to you for a finite time period to support or supplement your work force in special work situations such as **employee** absences, temporary skill shortages and seasonal workloads.

Your Product

Your product means:

- A. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 1. you;
 2. others trading under your name; or
 3. a person or organization whose business or assets you have acquired; and
- B. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

General Liability

Your product includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and .
- the providing of or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for the use of others but not sold.

Your Work

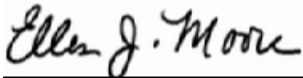
Your work means:

- work or operations performed by you or on your behalf; and
- materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and

the providing of or failure to provide warnings or instructions.



President

Employee Benefits Errors Or Omissions

Table of Contents

Contract	2
Who Is Insured	2
Coverage	3
Limits Of Insurance	4
Investigation, Defense And Payment Of Damages	5
Supplementary Payments	5
Coverage Territory	6
Exclusions	6
Extended Reporting Periods	8
Conditions	10
Definitions	13

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Throughout this policy the words "you" and "your" refer to the Named **Insured** shown in the Declarations of this policy, and any other person or organization qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the company providing this insurance.

In addition to the Named **Insured**, other persons or organizations qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is Insured section of this contract.

THIS INSURANCE PROVIDES **CLAIMS MADE** COVERAGE. EXCEPT AS OTHERWISE PROVIDED, SUCH COVERAGE APPLIES ONLY TO **CLAIMS** FIRST MADE AGAINST THE **INSURED** DURING THE POLICY PERIOD. PLEASE READ THIS INSURANCE CAREFULLY.

Who Is Insured

Sole Proprietorship

If you are an individual, you and your spouse are **insureds**, but only with respect to the conduct of a business of which you are the sole owner.

Partnership Or Joint Venture

If you are a partnership or joint venture, you are an **insured**. Your members, your partners, and their spouses are also **insureds**, but only with respect to the conduct of your business.

Other Organizations

If you are an organization other than a partnership, joint venture or limited liability company, you are an **insured**. Your executive officers and directors are **insureds**, but only with respect to their duties as your officers or directors. Your stockholders are also **insureds** but only with respect to their liability as stockholders.

Any Other Authorized Person

Any other natural person for whose acts you are legally liable, provided such natural person is authorized to act in the **administration** of your **employee benefit programs**.

Subsidiaries Or Newly Acquired Or Formed Organizations

If there is no other similar insurance available, the following will qualify to be a named **insured**:

- any financially controlled subsidiary of yours; or
- any organization you newly acquired or formed during the policy period, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest. This coverage is effective on the acquisition or formation date and is afforded only until the end of the policy period during which the acquisition or formation took place.

Employee Benefits Errors Or Omissions

No subsidiary or newly acquired or formed organization is an **insured** with respect to any **claim** arising from the **administration of employee benefit programs** that occurred before you acquired or formed the organization.

Limitation On Who Is Insured

No one is an **insured** for the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Coverage

Subject to the applicable Limits Of Insurance, we will pay damages the **insured** becomes legally obligated to pay for any **claim** arising out of a negligent act, error or omission to which this insurance applies, by or on behalf of the **insured** in the **administration of employee benefit programs**.

The **claim** must be made by:

- your employee;
- your former employee;
- the beneficiaries or legal representatives of your employee or former employee; or
- your prospective employee.

This insurance applies to a negligent act, error or omission only if a **claim** is first made against any **insured** during the policy period.

This insurance does not apply to any negligent act, error or omission which:

- occurred prior to the Retroactive Date stated in the Declarations of this insurance;
- occurred on or between the Retroactive Date stated in the Declarations of this insurance and the last day of the policy period stated in the Declarations of this insurance if, on the effective date of this insurance, the **insured** had knowledge of or should have known of any circumstances which might have resulted in a **claim**; or
- occurs after the policy period stated in the Declarations of this insurance.

For purposes of this insurance:

- a **claim** by a person or organization will be deemed to have been made when notice of such **claim** is received and recorded by any **insured**, our licensed agent, or by us, whichever comes first; and
- all **claims** for damages by the same person or organization as a result of a negligent act, error or omission will be deemed to have been made at the time the first of those **claims** is made against any **insured**.

Limits Of Insurance

The Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- **insureds**;
- **claims** made or **suits** brought; or
- persons or organizations making **claims** or bringing **suits**.

The Limits Of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

We may pay part or all of the deductible to settle any **claim** or **suit**; and when notified, the **insured** agrees to promptly reimburse us for the deductible paid.

All **claims** arising from a single negligent act, error or omission or a series of related negligent acts, errors or omissions shall be deemed to be a single **claim**.

Aggregate Limit

Subject to the Each Claim Limit, the Aggregate Limit is the most we will pay for the sum of:

- damages for all **claims**; and
- payments made for defense and Supplementary Payments.

Each Claim Limit

The Each Claim Limit is the most we will pay for all damages for each **claim**, including payments made for defense and Supplementary Payments, in excess of the deductible stated in the Declarations.

Any amount paid for damages, defense and Supplementary Payments for each **claim** will reduce the amount of the Aggregate Limit available for payment of damages, defense and Supplementary Payments for any other **claim**.

Employee Benefits Errors Or Omissions

If the Aggregate Limit has been reduced by payment of damages, defense and Supplementary Payments for **claims** to an amount that is less than the Each Claim Limit, the remaining Aggregate Limit is the most that will be available for payment of damages, defense and Supplementary Payments for any other **claim**.

Investigation, Defense And Payment Of Damages

We will have the right and duty to defend any **insured** against a **suit** seeking damages for any **claim** arising out of a negligent act, error, or omission. However, we will have no duty to defend any **insured** against a **suit** seeking damages to which this insurance does not apply. We may at our discretion investigate any negligent act, error, or omission and settle any **claim** or **suit** that may result.

The amount we will pay for damages is limited as described in Limits Of Insurance. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of defense, judgments or settlements and payments under Supplementary Payments.

The amount we pay to defend any **suit** is part of and will reduce the Each Claim Limit under Limits Of Insurance.

We have no further obligation or liability to pay sums or perform acts or services unless explicitly provided for under Supplementary Payments shown below.

Supplementary Payments

Subject to the Limits Of Insurance, we will pay with respect to any **claim** we investigate or settle, or any **suit** against an **insured** we defend:

- A. all expenses we incur;
- B. the premium amount of bonds to release attachments, but only for premium amounts within the amount of insurance available. We do not have to furnish these bonds;
- C. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the **claim** or **suit**, including actual loss of earnings up to \$300 a day because of time off from work;
- D. costs taxed against the **insured** in the **suit**;
- E. prejudgment interest awarded against the **insured** on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
- F. all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.

Each payment we make under Supplementary Payments will reduce the Each Claim Limit under Limits Of Insurance with the following exceptions:

- A. salaries and expenses of our employees or **the insured's** employees, other than:
 - 1. that portion of our employed attorneys' fees, salaries and expenses allocated to a specific **claim** or **suit**;
 - 2. the expenses described in C. above; and
- B. fees and expenses of independent adjusters we hire.

Coverage Territory

This insurance applies anywhere. However, the **insured's** responsibility to pay damages must be determined in a **suit** on the merits, in the United States of America, its territories or possessions, Canada or Puerto Rico, or in a settlement we agree to.

Exclusions

Benefits Due

This insurance does not apply to payments which are required pursuant to any **employee benefits program**.

Bodily Injury, Property Damage, Advertising Injury Or Personal Injury

This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury**.

Contractual Liability

This insurance does not apply to liability of others for which the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages that the **insured** would have in the absence of such contract or agreement.

Discrimination Or Humiliation

This insurance does not apply to actual or alleged humiliation or unlawful discrimination.

Dishonest Acts

This insurance does not apply to any dishonest, fraudulent, criminal or malicious act, error or omission by or on behalf of any **insured**, whether acting alone or in collusion with others.

Employee Benefits Errors Or Omissions

Expected Or Intended Damage

This insurance does not apply to any **claim** which results from an act that:

- is intended by the **insured**; or
- can be expected from the standpoint of a reasonable person

to cause damage, even if the damage is of a different degree or type than actually intended or expected.

Fines, Penalties, Punitive Or Exemplary Damages

This insurance does not apply to any assessment, penalty, fine, or punitive or exemplary damages.

Millennium Date Change

This insurance does not apply to any claim arising out of:

A. the actual or potential inability of any:

- hardware, software, operating system, network, microprocessor;
- other computer, data processing or communications system equipment or component; or
- other system, equipment or component that communicates with any of the foregoing,

to accept, retrieve, recognize, understand, interpret, identify, distinguish, process, communicate or otherwise use:

- any date subsequent to December 31, 1999; or
- information or code which contains dates subsequent to December 31, 1999; or

B the rendering of, or failure to render, any service or advice in connection with paragraph A. above.

Performance Failure

This insurance does not apply to:

- the failure of performance of any contract by an insurer;
- the failure of any investment plan to perform as represented by an **insured**;
- the inability of **employee benefit programs** to meet their obligation due to insolvency or inadequate funds; or
- the investment, divestment or non-investment of funds.

Statutory Obligation To Employees Or Plans

This insurance does not apply to the **insured's** failure to comply with the provisions of the Internal Revenue Code, any law concerning workers compensation, unemployment compensation, social security or disability benefits, any employment severance law, or the Employee Retirement Income Security Act of 1974 or any similar State or Federal legislation that has been or may be enacted.

This exclusion does not apply to the **administration** of **employee benefit programs**.

Termination Of Any Employee Benefit Programs

This insurance does not apply to the termination of any **employee benefit programs**.

Wrong Advice

This insurance does not apply to advice given by an **insured** to an employee to participate or not to participate in any investment subscription plan.

Extended Reporting Periods

Basic Extended Reporting Period

A Basic Extended Reporting Period is automatically provided. Under this provision: **claims** first made within 60 days after the end of the policy period; or **claims** first made within five years after the end of the policy period for negligent acts, errors or omissions reported to us within 60 days after the end of the policy period will be deemed to have been made during the policy period of this policy.

The Basic Extended Reporting Period does not apply to **claims** that are covered under any subsequent insurance you purchase, or that would be covered, but for exhaustion of the amount of insurance applicable to such **claims**.

Notification of **claims** must be in accordance with paragraphs A. and B. of the Duties In The Event Of Negligent Act, Error, Or Omission, Claim Or Suit provision of the Conditions.

Employee Benefits Errors Or Omissions

Supplemental Extended Reporting Period

A Supplemental Extended Reporting Period is available only by an endorsement and for an additional premium:

- A. If purchased, this period starts at the end of the Basic Extended Reporting Period and will be for 10 years. **Claims** first made during this Supplemental Extended Reporting Period will be deemed to have been made during the policy period of this policy, but will be subject to the separate aggregate limit of insurance set forth in paragraph C., below.
- B. You must give us a written request to purchase a Supplemental Extended Reporting Period within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
- C. If you comply with paragraph B., above, we will issue the Supplemental Extended Reporting Period Endorsement, and will provide the separate aggregate limit of insurance described below, but only for **claims** to which the Supplemental Extended Reporting Period applies. The separate aggregate Limit Of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the Aggregate Limit.

The Aggregate Limit as shown in the Limits Of Insurance section will be amended accordingly. The Each Claim Limit shown in the Declarations will continue to apply, as set forth in the Limits of Insurance section.

- D. We will determine the additional premium for the Supplemental Extended Reporting Period Endorsement in accordance with our rules and rates. The additional premium will not exceed 200% of the annual premium for this insurance.
- E. The Supplemental Extended Reporting Period Endorsement will set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

When Extended Reporting Periods Apply

We will automatically provide a Basic Extended Reporting Period and, if you purchase it, a Supplemental Extended Reporting Period if:

- A. this insurance is canceled or not renewed; or
- B. we renew or replace this insurance with other insurance that:
 - 1. has a Retroactive Date later than the Retroactive Date shown in the Declarations for this insurance;
 - 2. or does not apply on a **claims**-made basis.

*How Extended
Reporting Periods
Apply*

Extended Reporting Periods:

- A. apply only to **claims** for:
1. negligent acts, errors or omissions that occur before the end of the policy period and not before the Retroactive Date, if any, shown in the Declarations.
- B. do not:
1. extend the policy period or change the scope of coverage provided; or
 2. reinstate or increase the Limits Of Insurance applicable to any **claim** to which this insurance applies, except as described in the Supplemental Extended Reporting Period section above.
- C. may not be canceled once in effect.

Conditions

Arbitration

We are entitled to exercise all of the **insured's** rights in the choice of arbitrators and the conduct of any arbitration proceeding, except when the proceeding is between us and the **insured**.

Bankruptcy

Bankruptcy or insolvency of the **insured** or the **insured's** estate will not relieve us of any obligation to which this insurance applies.

*Duties In The Event Of
Negligent Act, Error, Or
Omission, Claim Or
Suit*

- A. You must see to it that we are notified as soon as practicable of any negligent act, error, or omission which may result in a **claim**. To the extent possible, notice should include:
1. how, when and where the negligent act, error, or omission took place; and
 2. the names and addresses of any involved persons and witnesses.
- Notice of any negligent act, error, or omission is not notice of a **claim**.
- B. If a **claim** is made or **suit** is brought against any **insured**, you must:
1. immediately record the specifics of the **claim** or **suit** and the date received; and
 2. notify us in writing as soon as practicable.

Employee Benefits Errors Or Omissions

C. You and any other involved **insured** must:

1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim** or **suit**;
2. authorize us to obtain records and other information;
3. cooperate with us in the:
 - a) investigation or settlement of the **claim** or
 - b) defense of the **suit**; and
4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of a negligent act, error, or omission to which this insurance may also apply.

D. No **insureds** will, except at that **insured's** own cost, make a payment, assume any obligation, or incur any expense, without our consent.

E. Notice given by or on behalf of:

1. the **insured**; or
2. any other claimant;

to any licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.

F. Knowledge of any negligent act, error, or omission by any agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer or his designee receives such notice from its agent or employee.

G. Failure of an agent or employee of the **insured**, other than an officer, or his designee, to notify us of any negligent act, error, or omission which he knows about will not affect the insurance afforded you by this contract.

Legal Action Against Us

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or
- to sue us on this insurance unless all of its terms have been fully complied with.

No person or organization has a right under this insurance:

- to join us as a party or otherwise bring us into a **suit** asking for damages from an **insured**; or

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after:

- an actual trial in a civil proceeding;
- an arbitration proceeding; or
- an alternative resolution proceeding,

but we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the applicable Limits of Insurance.

Other Insurance

If other valid and collectible insurance is available to the **insured** for a loss we cover under this insurance, our obligations are limited as follows:

Excess Insurance

This insurance is excess over and above any other valid and collectible insurance (including any deductible or self-insured portion) or agreement of indemnity, available to you.

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to the **administration of employee benefits programs** on other than a claims made basis, if:

- no Retroactive Date is shown in the Declarations of this insurance; or
- the other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance.

We will have no duty under this insurance to defend any **insured** against a **suit** that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the **insured's** rights against all those other insurers.

We will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Employee Benefits Errors Or Omissions

Premium Audit

We will compute all premiums for this insurance in accordance with our rules and rates.

In accordance with the Estimated Premiums section of the Premium Summary, premiums identified by an asterisk are estimated premiums and are subject to audit. In addition to or in lieu of such designation in the Premium Summary, premiums may be designated as estimated premiums in the Liability Insurance section of this policy. In that event, these premiums will also be subject to audit and the second paragraph of the Estimated Premiums section of the Premium Summary will apply.

Separation Of Insureds

Except with respect to the Limits Of Insurance and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom **claim** is made or **suit** is brought.

Transfer Of Rights Of Recovery

If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Definitions

Administration

Administration means:

- informing employees of the content of;
- giving advice, other than legal advice, about;
- handling of records in connection with; or
- effecting enrollment, termination or cancellation of employees under,

employee benefit programs, provided such acts are authorized by you.

Advertising

Advertising means any advertisement, publicity article, broadcast or telecast.

Advertising Injury

Advertising injury means injury, other than **bodily injury** or **personal injury**, arising solely out of one or more of the following offenses committed in the course of **advertising** of your goods, products or services:

-
- oral or written publication of advertising material that slanders or libels a person or organization;
 - oral or written publication of advertising material that violates a person's right of privacy; or
 - infringement of copyrighted advertising materials or infringement of trademarked or service marked titles or slogans.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Bodily Injury

Bodily injury means physical injury, sickness, disease, mental anguish, mental injury, shock, or humiliation sustained by a person; it also includes death at any time resulting therefrom.

Claim

Claim means a demand for damages.

Employee Benefit Programs

Employee benefit programs means group life insurance, group health insurance, group dental insurance, group automobile insurance, group homeowners insurance, educational tuition reimbursement plans, registered retirement savings plans (RRSP), deferred profit sharing plans (DPSP), other capital accumulation plans, individual retirement account (IRA) plans, Internal Revenue Code Section 401(K) plans and amendments thereto, profit sharing plans, pension plans, deferred compensation plans, employee investment subscription plans, workers compensation, unemployment insurance, social security, disability benefits insurance or travel, savings or vacation plans.

Insured

Insured means any person or organization qualifying as an insured under the Who Is Insured provision and against whom **claim** is made or **suit** is brought.

Personal Injury

Personal injury means injury, other than **bodily injury**, arising out of one or more of the following offenses committed in the course of your business, other than your **advertising**:

- A. false arrest, detention or imprisonment;
- B. malicious prosecution;
- C. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person or persons occupy, by or on behalf of its owner, landlord or lessor;

Employee Benefits Errors Or Omissions

- D. oral or written publication of material that slanders or libels a person or organization; or
- E. oral or written publication of material that violates a person's right of privacy.

Property Damage

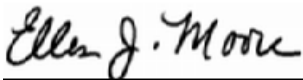
Property damage means:

- physical injury to or destruction of tangible property including the resulting loss of use of that property; or
- loss of use of tangible property that is not physically injured.

Suit

Suit means a civil proceeding in which damages to which this insurance applies are alleged. **Suit** also includes:

- an arbitration proceeding in which such damages are **claimed** and to which the **insured** must submit or does submit with our consent; or
- any other alternative dispute resolution proceeding in which such damages are **claimed** and to which the **insured** submits with our consent.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Limits Of Insurance the following provision is added:

Limits of Insurance

Deductible

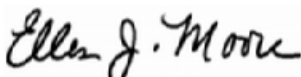
Our obligation to pay damages on behalf of the **insured** for **bodily injury** and **property damage** applies only to the amount of damages in excess of the deductible amounts shown in the Declarations as applicable to such coverages.

The deductible amounts shown in the Declarations apply as follows:

1. Per Claim basis - the deductible amount applies to all damages because of:
 - a) **bodily injury** sustained by one person, or to all **property damage** sustained by one person or organization, as the result of any one **occurrence**; or
 - b) **bodily injury** and **property damage** sustained by one person or organization as the result of any one **occurrence**.
2. Per Occurrence basis - the deductible amount applies to all damages because of:
 - a) all **bodily injury** or **property damage** as the results of any one **occurrence**, regardless of the number of persons or organizations who sustain damages because of that **occurrence**; or
 - b) **bodily injury** and **property damage** as a result of one **occurrence**, regardless of the number of persons or organizations who sustain damages because of that **occurrence**.

We may pay any part or all of the deductible amount to settle any claim or **suit** and, when notified, you will promptly reimburse us for any deductible paid.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

Form CE 80-02-2000 General Liability Contract

Under Policy Exclusions, the following is added:

Policy Exclusions

Employment Related Practices

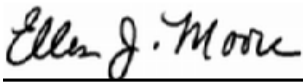
- A. This insurance does not apply to any damages sustained at any time by any person, whether or not sustained in the course of employment by any **insured**, arising out of any employment-related act, omission, policy, practice or representation directed at such person, occurring in whole or in part at any time, including any:
1. arrest, detention or imprisonment;
 2. breach of any express or implied covenant;
 3. coercion, criticism, humiliation, prosecution or retaliation;
 4. defamation or disparagement;
 5. demotion, discipline, evaluation or reassignment;
 6. discrimination, harassment or segregation;
 7. a. eviction; or
b. invasion or other violation of any right of occupancy;
 8. failure or refusal to advance, compensate, employ or promote;
 9. invasion or other violation of any right of privacy or publicity;
 10. termination of employment; or
 11. other employment-related act, omission, policy, practice, representation or relationship in connection with any **insured** at any time.

-
- B. This insurance does not apply to any damages sustained at any time by the brother, child, parent, sister or spouse of such person at whom any employment-related act, omission, policy, practice or representation is directed, as described in paragraph A. above, as a consequence thereof.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share damages with or repay someone else who must pay damages because of any of the foregoing.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

CE 80-02-2000 General Liability Insurance Contract

**Bodily Injury/Property
Damage Exclusions**
Employer's Liability

Under **Bodily Injury/Property Damage Exclusions**, the exclusion titled Employer's Liability is deleted and replaced with the following:

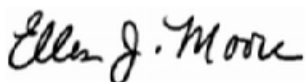
This insurance does not apply to **bodily injury** to an **employee** of the **insured** arising out of and in the course of employment by the **insured**. This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity, and
- to any obligation to share damages with or repay someone else who must pay damages because of the injury.

but this exclusion does not apply to:

- liability assumed by the **insured** under an **insured contract**; or
- **employees** of the **insured** on whose behalf contributions are made or are required to be made by the **insured** under the provisions of a Canadian provincial or territorial workers compensation law

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

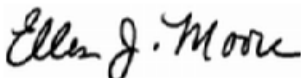
CE 80-02-2000 General Liability Insurance Contract

The Coverage Territory provision is deleted in its entirety and replaced with the following:

Coverage Territory

This insurance applies anywhere. However, the **Insured's** responsibility to pay damages must be determined in a **suit** on the merits in Canada, or in a settlement we agree to.

All other terms and conditions remain unchanged.



President

S.E.F. No. 94

Legal Liability For Damage To Hired Automobiles Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association**
(See Form 80-02-1408)

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

SPF No. 6 - Non-Owned Automobile Contract

(For attachment only to a Non-owned Policy S.P.F. No. 6)

It is hereby understood and agreed, that the policy to which this endorsement is attached is extended, subject always to the condition that the Insurer shall be liable under the subsection or subsections of the Insuring Agreement hereof for which a premium is stated and no other.

SECTION B **Legal Liability For** **Damage To Hired** **Automobiles**

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured or assumed by him under any contract or agreement for loss or damage arising from the care, custody or control of "Hired Automobiles" as defined in such policy and resulting from loss or damage thereto, caused solely by:

Subsection 1 – ALL PERILS – from all perils;

Subsection 2 – COLLISION OR UPSET – caused by collision with another object or by upset;

Subsection 3 –COMPREHENSIVE – from any peril other than by collision with another object or by upset;

The words "another object" as used in the subsection shall be deemed to include (a) a vehicle to which the automobile is attached and (b) the surface of the ground and any object therein or thereon.

Loss or damage caused by missiles, falling or flying objects, fire, theft, explosion, earthquake, windstorm, hail, rising water, malicious mischief, riot or civil commotion shall be deemed loss or damage for which insurance is provided under this subsection 3.

Subsection 4 – SPECIFIED PERILS – caused by fire, lightning, theft or attempt thereat, windstorm, earthquake, hail, explosion, riot or civil commotion, falling or forced landing of aircraft or of parts thereof, rising water, or the stranding, sinking, burning, derailment or collision of any conveyance in or upon which the automobile is being transported on land or water

Deductible Clause

Each occurrence causing loss or damage covered under any subsection hereof except loss or damage caused by fire or lightning or theft of the entire automobile covered by such subsection shall give rise to a separate claim in respect of which the Insurer's liability shall be limited to the amount of loss or damage in excess of the amount deductible, if any, stated in the applicable subsection hereof.

Two Or More Automobiles

A motor vehicle and one or more trailers or semi-trailers attached thereto shall be held to be separate automobiles with respect to the limit of liability, including the deductible provision, if any, under this Insuring Agreement.

Exclusions

The Insurer shall not be liable:

- (1) for loss or damage to any automobile while personally driven by the Insured if the Insured is an individual; or
- (2) under any subsection hereof for loss or damage
 - (a) to tires or consisting of or caused by mechanical fracture or breakdown of any part of an automobile or by rusting, corrosion, wear and tear, freezing or explosion within the combustion chamber, unless the loss or damage is coincident with other loss or damage covered by such subsection or is caused by fire, theft or malicious mischief covered by such subsection; or
 - (b) to any automobile while being used without the consent of the owner thereof; or
 - (c) caused directly or indirectly by contamination by radioactive material; or
 - (d) to radios designed both for transmitting and receiving or their equipment; or
 - (e) to contents of trailers or to rugs or robes; or
 - (f) to tapes and equipment for use with a tape recorder when detached there from; or
 - (g) caused directly or indirectly by bombardment, invasion, civil war, insurrection, rebellion, revolution, military or usurped power by the operation of armed forces while engaged in hostilities whether war be declared or not; or

S.E.F. No. 94

Legal Liability For Damage To Hired Automobiles Endorsement

(h) for any amount in excess of the limit stated in the applicable subsection hereof and expenditure provided for in the Additional Agreements of the policy to which this endorsement is attached; or

(3) under subsection 3 (Comprehensive) 4 (Specified Perils) for a collision loss or damage occurring after theft by any person or persons residing in the same dwelling premises as the Insured, or by any employee of the Insured engaged in the operation, maintenance or repair of the automobile whether the theft occurs during the hours of such service or employment or not unless the policy provides insurance under subsections 1 or 2.

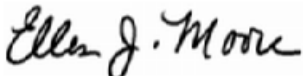
Additional Agreement

The Insurer further agrees to pay general average, salvage and fire department charges and custom duties of Canada or of the United States of America for which the Insured is legally liable.

SECTION B	LIMITS AND AMOUNTS	TYPE OF AUTOMOBILE	ESTIMATED COST OF HIRE	RATE PER \$100	ADVANCE PREMIUM
1 All Perils	\$25,000 (exclusive of interests and costs) any one accident \$1,000 Amount deductible	AS KNOWN	TO COM	PANY	INCLUDED
2 Collision or Upset	(exclusive of interest and costs) any one accident Amount deductible				
3 Comprehensive	(exclusive of interest and costs) any one accident Amount deductible				
4 Specified Perils	(exclusive of interest and costs) any one accident Amount deductible				
Minimum Retained Premium				Total \$ Included	

The advance premiums for this endorsement are subject to adjustment in the same manner as those stated under Item 5 of the application.

THIS ENDORSEMENT CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE



President

S.E.F. NO. 96

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

SPF No. 6 - Non-Owned Automobile Contract

Contractual Liability Endorsement

(for attachment only to a Non-Owned Policy S.P.F. No. 6)

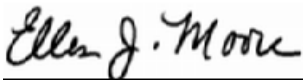
It is understood and agreed that exclusion (c) of the Insuring Agreement of the policy to which this endorsement is amended to read as follows:

- c. For any liability assumed by any person insured by this policy voluntarily under any contract or agreement other than those stated below:

Date(s) of contract(s)

Name(s) of other contracting party or parties

All Written Contracts



President

S.E.F. NO. 99

Endorsement

Policy Period From: **April-30-2008** To: **April-30-2009**
Effective Date **April-30-2008**
Policy Number **35264877**
Insured **MOSAID Technologies Incorporated (See Form 83-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

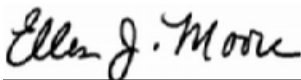
This Endorsement applies to the following forms:

SPF No. 6 - Non-Owned Automobile Contract

*Excluding Long Term
Leased Vehicle
Endorsement (for
attachment only to a
Non-Owned Policy
S.P.F. No. 6)*

It is understood and agreed that Item 3 (Hired Automobiles Defined) of General Provisions and Definitions of the policy to which this endorsement is attached is hereby amended to read as follows:

The term "Hired Automobiles" as used in this policy means (a) automobiles hired or leased from others with drivers or (b) hired or leased by the named Insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business stated in Item 3 of the application but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Coverage Under Coverage, the following provision is added:

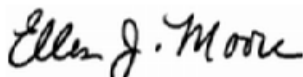
Forest and Prairie Fire Fighting Expense Subject to the applicable Limits of Insurance, we will pay fire fighting expense incurred by others for which the **insured** becomes legally obligated to pay solely by reason of such expense having been incurred as a direct consequence of a forest or prairie fire. The fire must result from and be immediately attributable to an **occurrence** directly connected with operations performed by or on behalf of the **insured**.

Limits of Insurance The amount we will pay for expenses under coverage for Forest and Prairie Fire Fighting Expense is subject to the Each Occurrence Limit and General Aggregate Limit applying to **property damage**

\$100,000 General Aggregate Limit
\$100,000 Each Occurrence Limit

Deductible: \$1,000 per claim.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Additional Exclusion **OCEANS, GULFS, BAYS OR OTHER BODIES OF WATER**

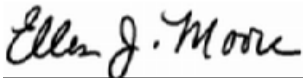
This insurance does not apply to:

Operations performed by you or on your behalf when such operations are conducted in any ocean, gulf, bay or other body of water;

BUT

This exclusion does not apply if such operations are specifically added by amendment.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Additional Exclusion

Underground Resources And Equipment

This insurance does not apply to:

1. **property damage** included within the **UNDERGROUND RESOURCES AND EQUIPMENT HAZARD**; or
2. the cost of reducing any property included within the **UNDERGROUND RESOURCES AND EQUIPMENT HAZARD** to physical possession above the surface of the earth or of any body of water, or to the expense incurred or rendered necessary to prevent or minimize **property damage** to other property resulting from acts or omissions causing property damage included within the **UNDERGROUND RESOURCES AND EQUIPMENT HAZARD**.

Additional Definition

Underground Resources And Equipment Hazard

Includes **property damage** to any of the following:

1. oil, gas, water or other mineral substances which have not been reduced to physical possession above the surface of the earth or above the surface of any body of water;
2. any well, hole, formation, strata or area in or through which exploration for or production of any substance is carried on;
3. any casing, pipe, bit, tool, pump, or other drilling or well servicing machinery or equipment located beneath the surface of the earth in any such well or hole or beneath the surface of any body of water.

All other terms and conditions remain unchanged.

Ellen J. Moore

President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

This insurance does not apply to:

Additional Exclusion

Control of Well

1. Any costs or expenses incurred by you or at your request or by or at the request of any **co-owner of the working interest** in connection with controlling or bringing under control any oil, gas or water well.

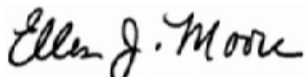
Additional Definition

Co-owner of the Working Interest

Co-owner of the working interest means any person or organization who is, with you, a co-owner, joint venturer or mining partner in mineral properties who:

1. Participates in the operating expense of such properties; or
2. Has the right to participate in the control, development or operation of such properties.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

The following exclusion is added to this policy and replaces any similar exclusion contained therein. The use of the words damages, loss, cost or expense in any exclusion does not expand any coverage(s) under this contract.

Exclusion Endorsement

**Asbestos, Silica Or
Similar Compounds,
Including Mixed Dust**

- A. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of:
1. **asbestos;**
 2. **silica;** or
 3. **mixed dust.**
- B. With respect to all coverage(s) under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of any:
1. demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess; or
 2. claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing;

the effects of:

- **asbestos**;
- **silica**; or
- **mixed dust**.

The following Definitions are added to this policy and replace any similar definitions contained therein.

Definitions

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product, compound or other material or **waste**.

Mixed Dust

Mixed dust means any combination or mixture of **asbestos** or **silica** and any other dust, fibers or particles, in any form, including any presence or use in any alloy, by-product, compound or other material or **waste**.

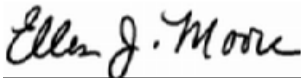
Silica

Silica means silica in any form (including silicates or other similar silicon compounds), including its presence or use in any alloy, by-product, compound or other material or **waste**.

Waste

Waste includes material to be recycled, reconditioned or reclaimed.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Who Is Insured, the following provision is added:

Who Is Insured

Designated Person or Organization

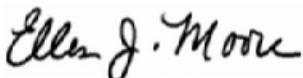
Any person or organization designated below is an additional **insured** but only with respect to liability arising out of the operations of the named **insured**.

However, no such person or organization is an **insured** with respect to any damages arising out of their sole negligence.

Designated Person or Organization:

Prospectors & Developers Association of Canada, 34 King Street East, Toronto, Ontario M5C 2X8

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

War Or Terrorism

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising, directly or indirectly, out of:

- ? war, including undeclared or civil war; or
- ? warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- ? insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these; or
- ? **terrorism**, including any action taken in hindering or defending against an actual or expected incident of **terrorism**.

regardless of any other cause or event that contributes concurrently or in any sequence to such **bodily injury, property damage, advertising injury or personal injury**.

In the event of any incident of **terrorism** that is not subject to this Exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this contract.

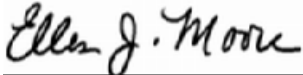
Under Definitions the following definition is added:

Definitions

Terrorism

Terrorism means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s), or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Limits Of Insurance, the following provision is added:

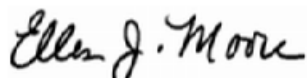
Limits Of Insurance

General Aggregate Limit

Subject to the Each Occurrence Limit and the Advertising Injury And Personal Injury Limit, the General Aggregate Limit is the most we will pay for the sum of:

- Damages under **bodily injury** and **property damage** coverage, except damages because of **bodily injury** and **property damage** included in the **products-completed operations hazard**;
- Damages under **advertising injury** and **personal injury** coverage; and
- **Medical expenses** under Medical Expense coverage.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Policy Exclusions

Pollution

Under Policy Exclusions, the exclusion titled Pollution is deleted and replaced with the following:

- A. This insurance does not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, or escape of **pollutants**:
1. at or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**;
 2. at or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
 3. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you may be legally responsible; or
 4. at or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations.

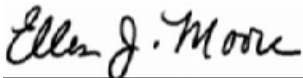
Subparagraphs A.1. and A.4. do not apply to **bodily injury or property damage** arising out of heat, smoke or fumes from a **hostile fire**.

- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or

-
2. claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing or in any way responding to, or assessing the effects of **pollutants**.

This exclusion does not apply to damage to premises rented to you caused by fire, explosion, smoke or leakage from fire protective equipment.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

**Bodily
Injury/Property
Damage Exclusions**

**Aircraft, Auto Or
Watercraft**

Under Bodily Injury/Property Damage Exclusions, the exclusion titled Aircraft, Auto Or Watercraft is deleted and replaced with the following:

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others of any:

- ? aircraft;
- ? **auto**; or
- ? watercraft

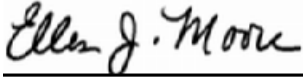
which any **insured** owns, operates, rents or borrows.

This exclusion does not apply to:

- A. watercraft on land at your premises;
- B. watercraft that you do not own that is:
 1. less than 16 meters long; and
 2. not being used to carry persons or property for a charge;

-
- C. parking an **auto** on, or on the ways next to, premises you own or rent, provided the **auto** is not owned by or rented or loaned to any **insured**;
 - D. liability assumed under any **insured contract** for the ownership, maintenance, or use of aircraft, or watercraft; or
 - E. **bodily injury** or **property damage** arising out of the operation of machinery, apparatus or equipment mounted on or attached to any **auto** while at the site of the use or operations of such equipment.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Bodily Injury/Property Damage Exclusions, the following exclusion is added:

**Bodily Injury /
Property Damage
Exclusions**

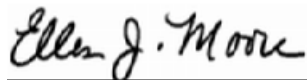
Occupational Disease This insurance does not apply to **bodily injury** by **occupational disease** sustained by an **employee** of the **insured**.

Under Definitions, the following definition is added:

Definitions

Occupational Disease **Occupational disease** means any abnormal condition or disorder, other than one resulting from an occupational injury, caused by a repetitive exposure to environmental factors associated with employment. It includes acute and chronic illnesses or diseases which may be caused by inhalation, absorption, ingestion or direct contact.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Radioactive Material

This insurance does not apply to:

1. **bodily injury, property damage, advertising injury or personal injury** arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of **radioactive material**;
2. any loss, cost or expense arising out of any request, demand or order that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any **radioactive material**; or
3. any claim or **suit** by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of any **radioactive material**.

This exclusion does not apply to **radioactive material** while used in a well measuring tool or device.

As used in this endorsement **property damage** includes all forms of radioactive contamination of property.

Definitions

Under Definitions, the following definition is added:

Radioactive Material

Radioactive material means any solid, liquid, or gaseous substance which emits radiation.

All other terms and conditions remain unchanged.

Ellen J. Moore

President

Liability Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Testing or Consulting Errors and Omissions

This insurance does not apply to **bodily injury, property damage, personal injury or advertising injury** arising out of:

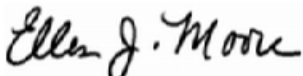
1. an error, omission, defect or deficiency in

- ? any test performed,
- ? any evaluation given, or
- ? any consultation or advice given

by or on behalf of any **Insured**; or

2. the reporting of or reliance upon any such test, evaluation, consultation or advice.

All other terms and conditions remain unchanged.



President

Liability Insurance

Endorsement

Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

All applicable Liability Insurance Contracts

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Engineers, Architects
or Surveyors

ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY EXCLUSION

This insurance does not apply to:

Bodily injury, property damage, personal injury or advertising injury arising out of the rendering or failure to render any professional services by or for you including:

1. the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications, and
2. supervisory, inspection or engineering services.

All other terms and conditions remain unchanged.



President

Crime Insurance

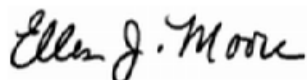
Policy Period From: **February-01-2008** To: **February-01-2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

The following is a schedule of forms issued with the policy at inception:

Form Number	Form Name
80-02-0020	Crime Declaration
80-02-3000	Crime Contract
80-02-1408	Named Insured
80-02-9090	Common Policy Conditions

All other terms and conditions remain unchanged.



President

Crime Insurance

Endorsement

Chubb Insurance Co. of Canada
1 Adelaide St. E.
One Financial Place
Toronto, Ontario
M5C 2V9

Effective Date: February 1, 2008

Policy Number: 37112888

Named Insured and Mailing Address:
Participating members of the Prospectors and
Developers Association (See Form 80-02-1408)
34 King Street East
Toronto, Ontario
M5C 2X8

Producer Name and Mailing Address:
Partners Indemnity - PDAC Affinity Group

10 Adelaide Street East
Suite 400
Toronto, Ontario
M5C1J3

Producer No.: 04190-000

Policy Period

From: February-01-2008

To: February-01-2009

12:01 A.M. standard time at the Named Insured's mailing address shown above.

Coverages

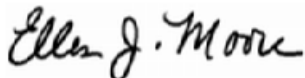
Limit of Insurance

The following displays the premises covered under this insurance:

Employee Theft

Deductible: \$1,000

\$



President

Crime

Table of Contents

Coverage	2
Extension Of Coverage	4
Exclusions	5
Coverage Territory	5
Limits Of Insurance	6
Deductible	6
Loss Payment Basis	6
Loss Payment Basis Exceptions	7
Conditions	8
Definitions	11

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverage

We will pay for loss you incur for each coverage described below only when a Limit of Insurance for each coverage is shown in the Declarations. The loss must occur to **money, securities, or other property**:

- owned by you;
- for which you are legally liable; or
- held by you in any capacity whether or not you are liable

Employee Theft Coverage

We will pay for direct loss caused by **theft** or forgery committed by your **employees**, acting alone or in collusion with others, not to exceed the Limit of Insurance for Employee Theft Coverage shown in the Declarations.

This coverage does not apply to any losses:

- caused by an **employee** if you or any of your partners or officers, not in collusion with the **employee** possessed at any time knowledge of any act or acts of **theft**, fraud or dishonesty ever committed by the **employee**;
- caused by any **employee** not engaged by you in regular service within the Coverage Territory;
- that part of any loss the proof of which involves in any manner (1) a profit and loss computation or comparison, or (2) a comparison of inventory records with an actual physical count, however where you establish that you have sustained a loss covered under this section, and have identified the **employee** involved, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed; or
- resulting directly or indirectly from trading whether or not in your name and whether or not in a genuine or fictitious account.

Credit Card Forgery

We will pay for direct loss caused by forgery or alteration of, on, or in any written instrument required in conjunction with any credit card issued to you or at your request to any of your partners, officers or **employees**, not to exceed the Limit of Insurance for Credit Card Forgery shown in the Declarations.

Crime

If you refuse to make payment on any of these written instruments because they may have been forged or altered, we will:

- cover the legal expenses if someone sues you for payment. We must give our prior written consent to defend such suit; then we will pay for any reasonable attorney's fees, court costs or similar legal expenses incurred as though they were covered by this insurance and any amount we pay for these expenses will be in addition to the Limit of Insurance for Credit Card Forgery shown in the Declarations.

This coverage does not apply to any loss caused by forgery or alteration of, on or in any written instrument unless the provisions, conditions and all terms under which the involved credit card was issued are fully performed and you must be legally liable to the issuer of the involved credit card for the loss.

Depositor's Forgery

We will pay for direct loss caused by forgery or alteration of, on or in any check, draft, promissory note, bill of exchange or similar promises of payment that you or your agent issued or appeared to have issued, including:

- any check or draft drawn on your account that is payable to a fictitious person or organization and endorsed in the name of that person or organization;
- any cheque or draft that you or your agent actually handed to someone impersonating the person or claiming to represent the organization to be paid, if it was endorsed by someone other than the person or representative of the organization to be paid; or
- any payroll check, draft or money order you wrote that was payable both to the bearer and the person or organization named on it and the check, draft or money order has been endorsed without permission by someone other than the person or organization named as the payee,

not to exceed the Limit of Insurance for Depositor's Forgery shown in the Declarations.

We will treat any mechanically reproduced facsimile signature just as if it were a handwritten signature.

Any amount we pay for the following expenses will be in addition to the Limit of Insurance for Depositor's Forgery:

If you or any bank where you have an account refuse to honor a check, draft, promissory note, bill of exchange or similar promise of payment because it may have been forged or altered, we will:

- cover the legal expenses if someone sues you or the bank for payment. But, we must give our prior written consent to defend the suit; and then we will pay for any reasonable attorney's fees, court costs or similar legal expenses as though they were covered by this insurance.

This coverage does not apply to any loss caused by forgery or alteration of:

- any registered or coupon obligations issued or supposed to have been issued by you; or
- any instrument, if such forgery or alteration is committed by any **employee** or by any person in collusion with any **employee**.

**Money Orders And
Counterfeit Paper
Currency**

We will pay for direct loss caused by the acceptance by you in good faith of:

- any forged, altered, counterfeit, stolen or fraudulent post office or express money order in exchange for merchandise, money or services; or
- counterfeit United States or Canadian paper currency;

not to exceed the Limit of Insurance for Money Orders and Counterfeit Paper Currency shown in the Declarations.

**Computer Theft
Coverage**

We will pay for direct losses caused by **computer theft of money or securities**.

This coverage does not apply to any losses :

- caused by an **employee** acting alone or in collusion with others; or
- due to the giving or surrendering of **money** or **securities** in any exchange or purchase.

**Extension of
Coverage**

**Consolidation Or
Merger**

If through:

- consolidation or merger with;
- acquisition of the majority stock ownership of; or
- acquisition of the assets of

some other entity, you acquire exposures that are covered by this insurance, you must give us written notice of the consolidation, merger or acquisition within 90 days and pay us an additional premium from the date of the consolidation, merger or acquisition to the end of the current policy period. Failure to do this will void the insurance that may be provided for the new entity by this policy from the date of the consolidation, merger or acquisition.

Crime

Exclusions

Consequential Loss This insurance does not apply to loss of income, interest or dividends.

Expenses

This insurance does not apply to any fees, costs or expenses you incur or pay:

- in reproducing any information contained in any lost or damaged manuscripts, records, accounts, microfilms, tapes or other records;
- in establishing the existence or the amount of any loss; or
- in prosecuting or defending any legal proceeding or claim, whether or not any such proceeding results or would result in a loss recoverable under this insurance.

This exclusion does not apply to legal proceedings covered under Credit Card Forgery or Depositor's Forgery.

Partnership Dishonesty

This insurance does not apply to loss caused by **theft** or any other fraudulent, dishonest or criminal act committed by any of your partners, whether acting alone or in collusion with others.

Trade Secrets

This insurance does not apply to loss caused by loss of trade secrets, confidential processing methods or other confidential information of any kind.

The following exclusions also apply to this contract and are described in the Exclusions section of the General Provisions form included in this policy:

- Governmental Action
 - War and Military Action
 - Acts or Decisions
 - Accounting
 - Nuclear Hazard
-

Coverage Territory

The coverage territory is Canada, the United States of America, its territories and possessions, Puerto Rico. However, we will cover any employee while temporarily outside the coverage territory for a period not to exceed 90 days.

Limits Of Insurance

The most we will pay for any loss under Employee Theft Coverage for any loss caused by any **employee** whether acting alone or in collusion with others, either resulting from a single act or any number of acts, regardless of when those acts occurred during the period of this insurance or prior insurance, is the amount of loss, not to exceed the Limit of Insurance for Employee Theft Coverage shown in the Declarations.

The most we will pay for any loss under Money Orders and Counterfeit Paper Currency for any loss resulting from any one occurrence is the amount of loss, not to exceed the Limit of Insurance for Money Orders and Counterfeit Paper Currency shown in the Declarations.

The most we will pay for any loss under Credit Card Forgery or Depositor's Forgery caused by forgery or alteration committed by any person or in which that person is concerned or implicated, either resulting from a single act or any number of acts, regardless of the number of instruments involved or when, during the period of this insurance or prior insurance, such acts occurred, is the amount of loss, not to exceed the Limit of Insurance for Credit Card Forgery or Depositor's Forgery shown in the Declarations.

The most we will pay for any loss under Computer Theft Coverage for any loss resulting from an actual or attempted **computer theft** or series of **computer thefts** whether committed by one or more persons shall be the amount of loss, not to exceed the Limit of Insurance for Computer Theft Coverage shown in the Declarations.

Deductible

We will pay the amount of loss in excess of the applicable deductible amount shown in the Declarations for each occurrence.

If two or more deductibles apply to the same occurrence, only the largest single deductible will apply.

Should any loss be discovered which is partly recoverable under this policy and partly recoverable under a prior bond or policy containing a deductible amount, the deductible amount specified in this coverage section shall be reduced by the deductible amount applied to such loss by the superseded insurance carrier.

Loss Payment Basis

Money

In no event shall we be liable for more than the :

- the Canadian dollar value of a foreign currency based on the rate of exchange published in the Globe and Mail on the day any loss involving foreign currency is discovered.
- the United States (U.S.) dollar value of a foreign currency based on the rate of exchange published in the Globe and Mail on the day any loss involving foreign currency is discovered if the Limit of Insurance shown in the Declarations are expressed in United States (U.S.) currency.

Crime

If the loss occurs before the **money** has been counted and recorded by you, the value of the **money** will not exceed the amount that is reasonably estimated and satisfactory to us.

Securities

Securities are valued based on the lesser of the following:

- the actual market value of the **securities** at the end of the last business day before the loss is discovered; or
- the actual cost of replacing the **securities** on the day loss payment is made.

All Other Property

Lost **property** will be valued based on the lesser of the:

- actual cash value of the **property** on the day the loss was discovered;
- cost to repair; or
- cost of replacing the **property** with material of like kind and quality, less allowance for physical deterioration, depreciation, obsolescence or depletion.

Loss Payment Basis Exceptions

Manuscripts, Records, Accounts, Microfilms, Tapes Or Other Records

Manuscripts, records, accounts, microfilms, tapes or other records are valued based on the cost of blank materials, and the cost of copying data onto blank materials from a duplicate source on the same type of materials.

Finished Stock And Sold Personal Property

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred.

Bullion And Other Precious Metals

Bullion and other precious metals are valued at the average market cost for replacement as published by the London Metals Market, during the period of 10 business days immediately preceding the date loss was discovered or the actual sum you pay for replacement, whichever is less.

Personal Property Of Others And Personal Property Of Employees

Personal property of others and **personal property of employees** are valued on the same basis as your **property** (subject to all other exceptions described under Loss Payment Basis Exceptions), but we will not pay more than the amount for which you are legally liable.

Labor, materials and services that you furnish or arrange on **personal property of others** are valued based on the actual cost of the labor, materials and services.

Stock In Process

Stock in process is valued based on raw materials and costs expended as of the date of loss.

Conditions

Appraisal

If you and us do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the **money, securities or property** and the amount of the loss. If the appraisers do not agree, they will submit their statement to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and us will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

Cancellation Of Prior Bond

The issuance of this insurance terminates all prior bonds and Fidelity Insurance issued by us. The terminated bonds and Fidelity Insurance will not cover any loss not discovered and reported to us prior to this termination.

Discovery Period

This insurance does not cover any loss sustained by any insured that is discovered and written notice thereof is given to us later than 60 days following termination of this insurance.

First Named Insured

The person or organization first named in the Declarations, hereafter referred to as the first named insured, is primarily responsible for payment of all premiums. The first named insured will act on behalf of all other named insureds for the giving and receiving of notice of cancellation and the receiving of any return premiums that become payable under this insurance. All other insureds will be deemed to have consented and agreed to have the first named insured act on their behalf. Knowledge possessed or discovery made by any insured or by any partner or officer of any insured will constitute knowledge possessed or discovery made by all of the insureds for the purpose of this insurance.

Any payment for a loss that we make to the first named insured releases us from any obligation we have for that loss to any insured. If we should make payment to any other insured, that payment will be treated as though it was made to the first named insured.

Crime

When there is more than one insured, our aggregate liability for loss or losses sustained by any or all insureds will not exceed the amount for which we would be liable if all losses were sustained by any one of them.

Insured's Duties In The Event Of Loss

You must see to it that the following are done in the event of loss:

- Notify us, or one of our authorized representatives in writing, at the earliest practicable moment after discovery of the loss, as to what occurred. Include a description of the property involved, the time and place of the loss, and names and addresses of available witnesses.
- File with us, or with our authorized representative, sworn proof of loss within 120 days after the date the loss is discovered.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- As often as may be reasonably required, permit us to examine and make copies from your books and records.

Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss that he knows about will not affect the insurance afforded you by this policy.

Legal Action Against Us

No legal action may be brought against us:

- until there has been full compliance with all the terms of this insurance; and
- until the obligation of the insured has been determined by final judgement or we agree in writing to the amount of the obligation.

No person or organization has any right under this insurance to bring us into any action to determine the liability of the Insured.

Legal Proceedings

Legal proceedings for recovery of any loss must be brought within two years of the discovery of the loss. Except, any legal proceedings to recover on account of any judgment against you or any of your banks of deposit in any suit referred under Depositor's Forgery or Credit Card Forgery, or to recover any expenses paid in that suit, must begin within two years from the date of the judgment. Proof of loss under Depositor's Forgery or Credit Card Forgery will include the instrument which is the basis of claim for the loss; but if it is impossible to file the instrument, your affidavit or the affidavit of your bank of deposit stating the amount and cause of the loss will be accepted. If any limitation stated in this provision is prohibited by any law, the limitation is amended to be equal to the minimum limitation permitted by such law.

Loss Payable

For covered **personal property** in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:

- adjust losses with you; and
- pay any claim for loss jointly to you and the Loss Payee, as interests may appear.

Loss Sustained Prior To Effective Date

If you were continuously insured by a policy prior to this insurance providing the same insurance as this policy, but cannot recover on a loss because that policy was terminated and its discovery period has run out, we will cover your loss provided:

- this insurance became effective at the time of cancellation or termination of the prior insurance; and
- this insurance would have covered your loss had it been in effect at the time the acts that caused the loss occurred.

We will not pay more than the applicable Limit of Insurance shown in the Declarations of the prior policy or this policy when it became effective, whichever is less. The amount we pay will be a part of this insurance, not in addition to it.

If we had insured you under other policies whose discovery period had not run out when you discovered a loss that occurred partly under those policies and partly under this policy, we will pay up to the applicable Limit of Insurance shown in the Declarations of this policy or the prior policies issued by us, whichever is less.

This will apply even if the prior insurance was issued to you while you were doing business under another name.

Non-Accumulation Of Liability

Regardless of the number of years this insurance continues in force and the number of premiums paid or any other circumstances whatsoever, our liability under this insurance with respect to any loss will not be cumulative from year to year or from period to period.

Crime

Other Insurance

If you have other insurance or another source of reimbursement for your loss, we will pay the amount of your loss that is in excess of the other insurance, or other source of reimbursement, not to exceed the applicable Limit of Insurance shown in the Declarations.

Recoveries

If you shall sustain any loss covered by this insurance, all recoveries made after the loss, less the actual cost of recovery, shall be distributed as follows:

- if the loss is not subject to a deductible, you shall be fully reimbursed from such recoveries for the amount of the loss which exceeds the amount of coverage provided by this insurance and any balance shall be applied to the reimbursement of us;
- if the loss is subject to a deductible, you shall be reimbursed from such recoveries for any loss which exceeds the amount of coverage provided by this insurance less the deductible amount, any balance shall be applied to reimbursement of us to the extent of its loss and any remainder paid to you. If there is no excess loss the total recoveries shall be distributed first in reimbursement to us to the extent of its loss and any remainder paid to you.

Termination As To Any Employee

This crime insurance section shall terminate as to any **employee** (1) immediately upon discovery by you or any of your partners or officers, not in collusion with such **employee**, of any act of **theft** or other fraudulent or dishonest act by the **employee**, or (2) sixty days after the receipt by you of a written notice of termination from us, whichever occurs first.

The following conditions also apply to this contract and are described in the Conditions section of the General Provisions from included in this policy:

- Abandonment
- Liberalization

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Computer Theft

Computer Theft means the intentional taking of **Money** or **Securities** through use of a computer located at your premises or anywhere.

Employee

Employee means a person in your regular service during the ordinary course of your business during the term of this insurance whom you compensate by salary, wages and/ or commissions and whom you have the right to govern and direct in the performance of such service.

Employee also means:

- any of your non-compensated officers;
- any ex-employee during a period not exceeding 30 days following the termination of service;
- any of your directors or trustees while performing acts coming within the scope of the usual duties of an **employee**;
- any individuals assigned to perform **employee** duties within your premises by any agency furnishing personnel on a contingent or part-time basis; and
- any of your volunteer workers to the extent that those volunteer workers may handle or have custody of **money, securities or property** belonging to or held by you.

Employee does not mean:

- any individual assigned to perform **employee** duties within your premises by any agency furnishing temporary personnel on a contingent or part-time basis if any loss caused by any such individual is covered by any insurance or suretyship held by that agency; or
- brokers, factors, commission merchants consignees, contractors or other agents or representatives.

Finished Stock

Finished stock means goods you have manufactured which are in their completed state and ready for sale.

Finished stock does not include goods you have manufactured which are in their completed state and ready for sale on the premises of any retail outlet insured by Business Income Insurance.

Improvements And Betterments

Improvements and betterments means **personal property** comprised of fixtures, alterations, installations or additions:

- made a part of the building you occupy but do not own; and
- you acquired or made at your expense but cannot legally remove.

Money

Money means:

- currency, coins, bank notes, or bullion.

Patterns, Molds And Dies

Patterns, molds and dies means **personal property** consisting of patterns, molds, dies and other similar property usual to your business that are owned by you or in your care, custody or control.

Crime

Personal Property

Personal property means:

- all your business personal property;
- business personal property in which you have an insurable interest;
- **patterns, molds and dies;**
- **personal property of others;**
- labor, materials and services furnished or arranged by you on **personal property of others;** and
- tenant's **improvements and betterments.**

Personal property does not mean:

- building;
 - land;
 - water;
 - growing crops;
 - outdoor trees, shrubs, plants or lawns;
 - vehicles or machines licensed for use on public roads;
 - self-propelled watercraft in water;
 - aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
 - **money or securities;**
 - personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers; or
 - animals, except animals owned by others and boarded by you or animals owned by you and held for sale.
-

Personal Property Of Employees

Personal property of employees means personal property owned or leased by your employee and in your care, custody or control.

Personal property of employees does not mean:

- building;
- land;
- water;
- growing crops;
- outdoor trees, shrubs, plants or lawns;
- vehicles or machines licensed for use on public roads;
- self-propelled watercraft in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers; or
- animals, except animals owned by others and boarded by you.

Personal Property Of Others

Personal property of others means **personal property** not owned by you and in your care, custody or control.

Personal property of others does not include **personal property of employees**.

Property

Property means:

- **personal property.**

Raw Stock

Raw stock means **personal property** made up of material in the state in which you receive it for conversion into **finished stock**.

Crime

Securities

Securities means:

- all negotiable and non-negotiable instruments or contracts that represent either **money** or other **property** held by you in any capacity;
- revenue and other stamps in current use;
- tokens; and
- tickets;

Securities does not mean **money**.

Stock

Stock means **personal property** consisting of:

- goods held in storage or for sale;
- **raw stock**;
- **stock-in-process**;
- **finished stock**; and
- merchandise

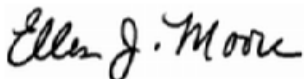
including supplies used in their packing or shipping.

Stock In Process

Stock in process means **raw stock** which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

Theft

Theft means the unlawful taking of **money**, **securities** or other **property** to the deprivation of the Insured.



President

Commercial Insurance

Endorsement

Policy Period From: **February 1, 2008** To: **February 1, 2009**
Effective Date **February 1, 2008**
Policy Number **37112888**
Insured **Participating members of the Prospectors and Developers Association (See Form 80-02-1408)**

Name of Company **Chubb Insurance Company of Canada**
Date Issued **May 2, 2008**

This Endorsement applies to the following forms:

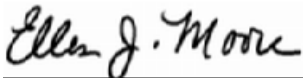
All applicable Liability Insurance Contracts

The Named **Insured** shown in this policy is amended to include the following:

Participating members of the Prospectors and Developers Association

of Canada, who are presently subscribed under the policy as per Certificates issued to each subscribing policyholder

All other terms and conditions remain unchanged.



President

Common Policy Conditions

Contract

Conditions

The following Conditions are included under each part of the policy, unless stated otherwise.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Cancellation

The first named insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first named insured a notice 90 days (15 days in the event of non-payment of premium) in advance of the cancellation date. Our notice of cancellation will be mailed to the first named insured's last known address, and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved insured have fully complied with all of the terms and conditions of the policy.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named insured will act on behalf of all other named insureds for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

Governing Law And Jurisdiction

This policy shall be governed and construed in accordance with the laws of the province or territory of Canada in which it is delivered to the insured. We, the insured and any other person or organization seeking to enforce any rights under this policy in accordance with its terms will submit to the jurisdiction of the courts of such province or territory in relation to any and all actions or proceedings of any nature or kind brought under or in relation to this policy.

*Inspections And
Surveys*

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

*Special Statutory
Provisions*

If any condition of this policy relating to limitation of time for notice of accident or for instituting legal proceedings is at variance with any specific statutory provision in the jurisdiction in which the accident occurs, such statutory provision shall be substituted for such condition.

Titles Of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

*Transfer Of Rights And
Duties*

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.



President