



SECONDARY PROFESSIONAL LIABILITY GROUP INSURANCE PLAN

CERTIFICATE OF INSURANCE

INSURED'S NAMES: MEMBERS of the following PARTICIPATING ASSOCIATIONS; Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA); Association of Professional Engineers and Geoscientists of the Province of British Columbia (APEGBC); Association of Professional Engineers and Geoscientists of Saskatchewan (APEGGS); Association of Professional Engineers and Geoscientists of Manitoba (APEGM); Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB); Association of Professional Engineers of Nova Scotia (APENS); Association of Professional Engineers of Prince Edward Island (APEPEI); Association of Professional Engineers of Yukon (APEY); Association of Professional Geoscientists of Ontario (APGO); Association of Professional Engineers, Geologists and Geophysicists of the Northwest Territories (NAPEGG); Ordre des géologues du Québec (OGQ); Ordre des ingénieurs du Québec (OIQ); Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL).

The insurance contract will only cover claims reported to the INSURER during the policy period and for any circumstance, dispute or controversy, which were unknown before subscription to the present Group Insurance Plan. This certificate is issued for information purposes only and the holder should refer to the master policy. We suggest that you carefully read the master policy in its entirety to familiarize yourself with your rights and obligations and the details of coverage. Please note the master policy has a certain number of limitations and exclusions restricting coverage.

Table with 5 rows: 1. INSURANCE COMPANY (XL INSURANCE COMPANY LIMITED), 2. BROKER (HUB INTERNATIONAL GROUP OF COMPANIES), 3. POLICY NUMBER (DPX 9425006), 4. POLICY PERIOD (March 31, 2006 to March 31, 2007), 5. LIMITS OF INSURANCE (Each claim \$100,000, Project Limit \$250,000, Aggregate per Insured \$100,000, Policy Aggregate \$20,000,000, Deductible NIL).

This is to certify that the Insurance contract DPX 9425006 has been issued to the above Associations. Should there be any conflict between this document and the insurance contract DPX 9425006 (or any renewal or replacement), only the provisions of the English version of contract DPX 9425006 will prevail except in the Province of Quebec where the French version of contract DPX 9425006 will prevail. Endorsements issued or to be issued are deemed to be part of the policy.

AUTHORIZED REPRESENTATIVE/ XL INSURANCE COMPANY



XL INSURANCE COMPANY LIMITED

XL DESIGN PROFESSIONAL
48 Yonge Street
Suite 400
Toronto, ON M5E 1G6

DECLARATIONS

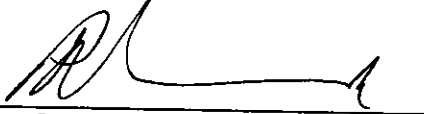
POLICY NUMBER
DPX 9425006

THIS POLICY CONTAINS PROVISIONS WHICH MAY LIMIT THE AMOUNT PAYABLE

- | | | |
|--------|--|--|
| Item 1 | Named Insured: | As per Endorsement 1 |
| Item 2 | Mailing Address: | As per Endorsement 1 |
| Item 3 | Policy Period: | |
| | Effective Date: | March 31, 2006 |
| | Expiration Date: | March 31, 2007
(12:01 a.m. Local Time at the above mailing address) |
| Item 4 | Limits of Insurance: | |
| | Each Claim | \$100,000 |
| | Policy Limit | \$250,000 |
| | Aggregate per Insured | \$100,000 |
| | Policy Aggregate | \$20,000,000 |
| Item 5 | Deductible: | \$NIL Each Claim |
| Item 6 | Premium: | \$1,062,065.50 |
| Item 7 | On the date of issue, this policy consists of this Declarations, CCPE(E)DEC(05/04), Professional Liability Insurance Policy, CCPE(E)(05/04) and Endorsements listed here: Endorsement 1, Named Insured, Endorsement 2, Amendment of Policy Wording, Endorsement 3, Amendment of Policy Wording, Endorsement 4, Exclusion of Mould, Mildew and Fungus Claims, Endorsement 5, Amendment of Section 2.6 | |

PLEASE READ THIS POLICY AND ANY ENDORSEMENTS CAREFULLY AND DISCUSS WITH YOUR INSURANCE BROKER.

Issued and Countersigned at Toronto, Ontario this 15th day of March 2006.


Authorized Representative of the Company



Effective March 31, 2006

Policy No. DPX 9425006

It is agreed that Declarations, Item 1, Named Insured, includes all **MEMBERS** in good standing of:

MEMBERS of:

Association of Professional Engineers, Geologists and Geophysicists (APEGGA)
10060 Jasper Avenue
Suite 1500 Scotia Place, Tower 1
Edmonton, Alberta T5J 4A2
Attention: Executive Director
Telephone: (780) 426-3990
Fax: (780) 426-1877

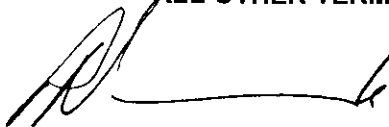
Association of Professional Engineers and Geoscientists of British Columbia (APEGBC)
200 – 4010 Regent Street
Burnaby, British Columbia V5C 6N2
Attention: Executive Director
Telephone: (604) 430-8035
Fax: (604) 430-8085

Association of Professional Engineers and Geoscientists of Manitoba (APEGM)
850A Pembina Highway
Winnipeg, Manitoba R3M 2M7
Attention: Executive Director
Telephone: (204) 474-2736
Fax: (204) 474-5960

Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB)
535 Beaverbrook Court, Suite 105
Fredericton, New Brunswick E3B 1X6
Attention: Executive Director
Telephone: (506) 458-8083
Fax: (506) 451-9629

Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL)
P.O. Box 21207
St. John's, Newfoundland A1A 5B2
Attention: Executive Director
Telephone: (709) 753-7714
Fax: (709) 753-6131

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Authorized Representative of the Company



Effective March 31, 2006

Policy No. DPX 9425006

Association of Professional Engineers, Geologists and Geophysicists of the Northwest Territories (NAPEGG)
5, 4807 49th Street
Yellowknife, Northwest Territories X1A 3T5
Attention: Executive Director
Telephone: (867) 920-4055
Fax: (867) 872-4058

Association of Professional Engineers of Nova Scotia (APENS)
P.O. Box 129, 1355 Barrington Street
Halifax, Nova Scotia B3J 2M4
Attention: Executive Director
Telephone: (902) 429-2250
Fax: (902) 423-9769


Association of Professional Engineers of Prince Edward Island (APEPEI)
549 North River Road
Charlottetown, Prince Edward Island C1E 1J6
Attention: Executive Director
Telephone: (902) 566-1268
Fax: (902) 566-5551

L'Ordre des Ingénieurs du Québec (OIQ)
2020, rue University 18 e étage
Montréal, Québec H3A 2A5
Attention: Executive Director
Telephone: (514) 845-6141
Fax: (514) 845-1833

Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS)
Suite 104 – 2255 13th Avenue
Regina, Saskatchewan S4P 0V6
Attention: Executive Director
Telephone: (306) 525-9547
Fax: (306) 525-0851

Association of Professional Engineers of Yukon (APEY)
Suite 404, 3106 3rd Avenue
Whitehorse, Yukon Y1A 5G1
Attention: Executive Director
Telephone: (867) 667-6727
Fax: (867) 668-2142

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Authorized Representative of the Company



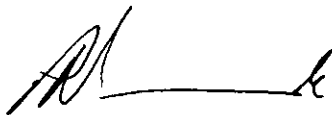
Effective March 31, 2006

Policy No. DPX 9425006

Association of Professional Geoscientists of Ontario (APGO)
Suite 1500, 67 Yonge Street
Toronto, Ontario M5E 1J8
Attention: Oliver Bonham, M.Sc. P.Geo
Telephone: (416) 203-2746
Fax: (416) 203-6181

Ordre des géologues du Québec (OGQ)
1117, Sainte-Catherine West
Suite 912
Montreal, Quebec H3B 1H9

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Authorized Representative of the Company

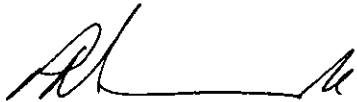


Effective March 31, 2006 Policy No. DPX 9425006

It is agreed that sections 2.5 and 3.3.1 are deleted in their entirety and replaced as follows:

- 2.5 **MEMBERS** means an individual who is enrolled with, registered with or licensed by the **PARTICIPATING ASSOCIATION** within the period of this policy.
- 3.3.1 **MEMBERS** of the **PARTICIPATING ASSOCIATION**, for **PROFESSIONAL SERVICES** performed in Canada.

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Authorized Representative of the Company



Effective March 31, 2006

Policy No. DPX 9425006

It is agreed that section 4.0 EXCLUSIONS, 4.7, 4.8 and 4.20 are deleted and replaced as follows:

This insurance does not apply to:

- 4.7 **CLAIMS** against you where you are or were a **DECISION MAKER** of a consulting engineering or geoscience firm. However, this exclusion shall not apply to **CLAIMS** first made after the six month period following the entry into receivership or bankruptcy of that consulting engineering or geoscience firm; or after a two year period following the closure and cessation of operations of the consulting engineering or geoscience firm, providing that the closure and cessation of operations was not the result of that firm, or some or all of its assets, being purchased by or merged into another firm.
- 4.8 **CLAIMS** arising out of **PROFESSIONAL SERVICES** provided by you or on your behalf for a consulting engineering or geoscience firm, or a firm that provides stand-alone consulting engineering or geoscience services, if, at the time the **CLAIM** is made and reported, you are employed by that firm or by a firm into which it has been merged, or by any firm which has purchased the business or assets of the firm to which the services were originally provided.
- 4.20 **CLAIMS** seeking any damage alleged to be due to the infiltration of precipitation into a building envelope of buildings located in British Columbia. This exclusion applies whether or not the **CLAIM** alleges other damages which but for the application of this exclusion would have been covered.

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED.



Authorized Representative of the Company



Effective March 31, 2006 Policy No. DPX 9425006

It is agreed that section 4.0 EXCLUSIONS, is amended to include the following:

This insurance does not apply to CLAIMS or portions of CLAIMS arising out of or resulting from the actual, alleged or threatened existence, effects, ingestion, inhalation, abatement, testing, monitoring, remediation, enclosure, decontamination, repair, removal or the actual or alleged failure to detect **Mould, Mildew or other Fungus** in any form.

Mould, Mildew or other Fungus means any plant-like group that does not produce chlorophyll and derives food either by decomposing organic matter from dead plants and animals or by parasitic attachment to living organisms or any substance specifically or commonly referred to as mould, mildew or fungus, and includes any and all mycotoxins, spores, scents or other byproducts that are produced by the above-described groups or substances.

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED



Authorized Representative of the Company




Effective March 31, 2006

Policy No. DPX 9425006

It is agreed that section 2.6, is deleted and replaced with the following:

- 2.6 **PARTICIPATING ASSOCIATION** means the following associations, both individually and collectively: Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA); Association of Professional Engineers and Geoscientists of the Province of British Columbia (APEGBC); Association of Professional Engineers and Geoscientists of Saskatchewan (APEGGS); Association of Professional Engineers and Geoscientists of the Province of Manitoba (APEGM); Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB); Association of Professional Engineers of Nova Scotia (APENS); Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL); Association of Professional Engineers, Geologists and Geophysicists of the Northwest Territories (NAPEGG); L'Ordre des ingénieurs du Québec (OIQ); The Association of Professional Engineers of Prince Edward Island (APEPEI); Association of Professional Engineers of Yukon (APEY); Association of Professional Geoscientists of Ontario (APGO); Ordre des géologues du Québec (OGQ).

ALL OTHER TERMS & CONDITIONS OF THE POLICY REMAIN UNCHANGED



Authorized Representative of the Company



**MASTER POLICY
SECONDARY PROFESSIONAL LIABILITY INSURANCE
FOR THE
PARTICIPATING ASSOCIATION MEMBERS OF THE
CANADIAN COUNCIL OF PROFESSIONAL ENGINEERS**

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**MASTER POLICY
SECONDARY PROFESSIONAL LIABILITY INSURANCE
FOR THE
PARTICIPATING ASSOCIATION MEMBERS OF THE
CANADIAN COUNCIL OF PROFESSIONAL ENGINEERS**

1.0 PREAMBLE

The insurance provided by this policy is issued in reliance upon the information and statements furnished by you relating to this insurance and is subject to all terms, conditions and limitations contained herein. This policy is a **CLAIMS MADE AND REPORTED** form.

Please read this policy and any endorsements carefully and discuss with your Insurance Broker. This policy is intended to provide limited insurance, as set out in the policy, against some liabilities to pay damages to parties other than your employer that you may incur in your capacity as an employed engineer or geoscientist. No insurance is provided under this policy where stand-alone consulting services are or have been provided by you or your employer, except in certain contingent situations as defined in the policy.

Throughout this policy, the words *you*, *your* and *Insured* refer to the Insureds shown in the Declarations and to others as defined in section 3.3 Who Is Insured. The words *we*, *us*, *our* and *Company* refer to the Company providing this insurance as shown in the Declarations. The words and phrases shown in **UPPER CASE BOLD PRINT** have a definition within this policy.

2.0 DEFINITIONS

2.1 CLAIM(S) means

2.1.1 a demand seeking damages for professional services against you or the filing of a suit or the initiation of an arbitration proceeding naming you, for an alleged error, omission, negligent act or **PERSONAL INJURY** arising out of your **PROFESSIONAL SERVICES**.

Two or more **CLAIMS** arising out of a single act, error or omission or a series of related acts, errors or omissions will be considered a single **CLAIM**.

2.2 CLAIM EXPENSES means

2.2.1 all fees, costs and expenses incurred or authorized by us arising out of the investigation, adjustment or defense of a **CLAIM**, including but not limited to, costs and fees for legal counsel, investigators, experts, consultants, arbitrators and mediators.

2.2.2 your expenses for emergency medical and surgical relief to others following an accident which you believe arose from your negligent act, error or omission.

2.2.3 interest payable on that part of any judgement for or legal obligation to pay damages which fall within the limit of insurance for a **CLAIM** described in section 5.0, **LIMITS OF INSURANCE AND DEDUCTIBLE**.

2.3 CLAIMS MADE AND REPORTED means CLAIMS that are

2.3.1 first made against you during the policy period and reported to us within the policy period shown in the Declarations; and

- 2.3.2 arising out of your **PROFESSIONAL SERVICES** performed prior to the end of the policy period, provided that you had no knowledge of the **CLAIM**, prior to the effective date of this policy.
- 2.4 **DECISION MAKER** means
- 2.4.1 any director, officer, partner, or sole proprietor of an entity or
- 2.4.2 any associate or shareholder that holds more than 10% of the shares of an entity or shares issued that include voting rights of an entity.
- 2.5 **MEMBER** means an individual who is enrolled with, registered with or licensed by the **PARTICIPATING ASSOCIATION** and is in good standing with the **PARTICIPATING ASSOCIATION** within the period of this policy.
- 2.6 **PARTICIPATING ASSOCIATION** means the following associations, both individually and collectively: Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA); Association of Professional Engineers and Geoscientists of the Province of British Columbia (APEGBC); Association of Professional Engineers and Geoscientists of Saskatchewan (APEGGS); Association of Professional Engineers and Geoscientists of the Province of Manitoba (APEGM); Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB); Association of Professional Engineers of Nova Scotia (APENS); Association of Professional Engineers and Geoscientists of Newfoundland (APEGN); Association of Professional Engineers, Geologists and Geophysicists of the Northwest Territories (NAPEGG); L'Ordre des Ingénieurs du Québec (OIQ); The Association of Professional Engineers of Prince Edward Island (APEPEI).
- 2.7 **PERSONAL INJURY** means injury arising out of false arrest, detention or imprisonment; wrongful entry, eviction or other invasion of a right of privacy; libel, slander, utterance, electronic distribution or publication in violation of a right of privacy; malicious prosecution; or the unintentional infringement of copyright or patent.
- 2.8 **POLLUTANTS** means any solid, liquid, gaseous or thermal irritant or contaminant, including gas, smoke, vapour, soot, fumes, acids, alkalis, chemicals and **WASTE**. Heat, smoke, vapour, soot or fumes from a **HOSTILE FIRE** are not considered **POLLUTANTS**.
- For the purpose of this definition **HOSTILE FIRE** means a fire or explosion which is uncontrolled or breaks out from where it was intended to be.
- 2.9 **POLLUTION** means the actual, alleged or threatened discharge, dispersal, release or escape of **POLLUTANTS**.
- This definition does not include **POLLUTION** arising out of:
- 2.9.1 wastewater, **STORM WATER** and domestic sewage collection and treatment systems, including those receiving industrial **WASTE**, but only if such industrial **WASTE** is pre-treated in accordance with applicable governmental or regulatory standards; or
- 2.9.2 potable water systems; or
- 2.9.3 heating, ventilation, or air conditioning systems or electrical systems; but systems designed for the purpose of controlling **POLLUTANTS** remain within this definition.
- For the purpose of this definition **STORM WATER** means water from rain, hail, snow or sleet.

- 2.10 **PROFESSIONAL SERVICES** means the customary services performed in Canada, whether paid or unpaid of engineers and geoscientists provided in their capacity as a **MEMBER** of the **PARTICIPATING ASSOCIATION**.

PROFESSIONAL SERVICES does not include actual construction activities.

- 2.11 **WASTE** means, including, but not limited to, materials to be recycled, reconditioned or reclaimed.

3.0 **INSURING AGREEMENTS**

3.1 **What We Insure**

We will pay those sums in excess of the Deductible, if any, that you become legally obligated to pay as damages because of **CLAIMS** to which this policy applies arising out of your **PROFESSIONAL SERVICES**.

We have the right and the duty to defend such **CLAIMS**, subject to the following:

- 3.1.1 We may investigate any **CLAIM** and settle it in accordance with section 6.2 Settlement. We have the right to designate legal counsel to represent you.
- 3.1.2 The most we will pay is described in section 5.0. **LIMITS OF INSURANCE AND DEDUCTIBLE**.
- 3.1.3 Our right and duty to defend and pay on your behalf ceases when the applicable limit as described in section 5.0 **LIMITS OF INSURANCE AND DEDUCTIBLE** is exhausted by the payment of damages or **CLAIM EXPENSES**, separately or in combination for all **CLAIMS**.

3.2 **Supplemental Coverage**

We will pay those sums in excess of the Deductible, if any, for legal obligations to pay damages for **CLAIMS MADE AND REPORTED** against the Canadian Council of Professional Engineers, the **PARTICIPATING ASSOCIATIONS** and any executive officers or directors or staff, or agents thereof but only for **CLAIMS** to which this policy would apply arising out of **PROFESSIONAL SERVICES** performed by a **MEMBER**, if such **CLAIMS** were made against the **MEMBER**. The Limits of Insurance available for such **CLAIMS** are as described in section 5.0 **LIMITS OF INSURANCE AND DEDUCTIBLE**. Where this policy applies to a **CLAIM** under this section and also applies to a **CLAIM** against a **MEMBER**, arising out of the same act, error or omission or a series of related acts, errors or omissions, all such **CLAIMS** will be considered a single **CLAIM**.

3.3 **Who Is Insured**

- 3.3.1 Registered **MEMBERS** in good standing of the **PARTICIPATING ASSOCIATION**, for **PROFESSIONAL SERVICES** performed in Canada.
- 3.3.2 The legal representative of any deceased **MEMBER**, but only to the extent of that **MEMBER'S** rights and duties under this policy.

3.4 **When We Insure**

This insurance applies to **CLAIMS** that meet each of the following conditions:

- 3.4.1 The **CLAIMS** are first made against you and reported to us during the policy period shown in the Declarations.

3.4.2 The **CLAIMS** arise out of **PROFESSIONAL SERVICES** performed by you prior to the end of the policy period.

3.4.3 You had no knowledge of the **CLAIM** prior to the effective date of this policy shown in the Declarations.

3.5 Where We Insure

This insurance applies to **CLAIMS** made and venued in Canada for **PROFESSIONAL SERVICES** performed in Canada.

4.0 EXCLUSIONS

This insurance does not apply to:

4.1 **CLAIMS** arising out of liability assumed by you under any **CONTRACT**. This exclusion does not apply if you would have been liable in the absence of that **CONTRACT** due to your error, omission or negligent act.

CONTRACT means any agreement, whether express or implied, in fact or in law, written or oral, including, but not limited to, hold harmless and indemnity clauses, warranties, guarantees, certifications or penalty clauses.

4.2 **CLAIMS** arising out of your employment obligations, decisions, practices or policies as an employer.

4.3 **CLAIMS** against you by any current or previous employer, or anyone who is alleged to have vicarious liability for you, related to **PROFESSIONAL SERVICES** provided by you during your employment or employee contract with any such person.

4.4 **CLAIMS** arising out of **PROFESSIONAL SERVICES** provided by you outside of your regular employment in your capacity as a member of a **PARTICIPATING ASSOCIATION**. However, this exclusion shall not apply if the compensation received have a value of less than \$2,000 for any single project and the total value of the compensation you receive for all such projects undertaken by you did not exceed \$10,000 per calendar year.

4.5 **CLAIMS** arising out of any computer software development for commercial purposes.

4.6 **CLAIMS** arising out of **PROFESSIONAL SERVICES** provided by you on behalf of an entity that designs and builds, installs or fabricates and of which you are a **DECISION MAKER**. However, this exclusion shall not apply to that part of a **CLAIM** that relates specifically to a design rendered by you or under your immediate personal supervision and in which you exercised professional judgement on engineering or geoscience matters embodied in the design.

4.7 **CLAIMS** against you where you are a **DECISION MAKER** of a consulting engineering firm. However, this exclusion shall not apply to **CLAIMS** first made after the six month period following the entry into receivership or bankruptcy of that consulting engineering or geoscience firm; or after a two year period following the closure and cessation of operations of that consulting engineering or geoscience firm.

4.8 **CLAIMS** arising out of **PROFESSIONAL SERVICES** provided by you or on your behalf for a consulting engineering or geoscience firm, or firm that provides stand-alone consulting engineering or geoscience services, for which you are still employed at the time the **CLAIM** is made and reported.

- 4.9 CLAIMS arising out of acts of discrimination, humiliation or harassment committed by you.
- 4.10 CLAIMS arising out of dishonest, fraudulent, malicious or criminal acts or omissions committed by you, at your direction or with your knowledge or consent whether or not you intended damage to result. However, we will defend a CLAIM against an Insured who did not have knowledge of or consent to the dishonest, fraudulent, malicious, or criminal acts or omissions.
- 4.11 Punitive damages, exemplary damages, the multiplied portion of damages, aggravated damages, fines or penalties.
- 4.12 CLAIMS against you by any other Insured under this policy.
- 4.13 CLAIMS against you by an entity in which you maintain a cumulative ownership interest greater than ten percent (10%).
- 4.14 CLAIMS arising out of any product developed by you or on your behalf, including, but not limited to those for multiple sale or mass distribution, including a CLAIM that arises out of the sale, use, distribution, handling or recall of such product. For the purpose of this exclusion computer programs and software are considered products.
- 4.15 CLAIMS arising out of your specification of any asbestos material or product, in any form.
- 4.16 CLAIMS for which you are insured or an Insured under any other professional liability policy, including, but not limited to a project specific policy. This exclusion applies even if those CLAIMS are not covered in whole or in part by that other policy for any reason; or in the event of cancellation or non-renewal of that other policy by you or the insurance company.
- 4.17 CLAIMS arising out of the failure to maintain, obtain, recommend, advise or require any form of insurance, suretyship or bond.
- 4.18 CLAIMS arising out of providing, procuring or maintaining real estate or financing.
- 4.19 CLAIMS arising out of the ownership, rental, or leasing of any real property or personal property. Personal property, includes, but is not limited to: automobiles, aircraft, watercraft and other kinds of conveyances.
- 4.20 CLAIMS in whole or in part due to, based upon, proximately caused by or arising out of infiltration of precipitation into a building envelope on projects located in British Columbia.
- 4.21 CLAIMS arising out of:
 - 4.21.1 your activities as a manufacturer, generator, disposer, storer, transporter or treater of POLLUTANTS, or as a WASTE site owner or operator;
 - 4.21.2 POLLUTION from or onto property or facilities which are or were at any time owned, rented, occupied or operated by you, or POLLUTION above or below ground at such property or facilities.
- 4.22 CLAIMS arising out of:
 - 4.22.1 Liability imposed by or arising under any nuclear liability act, law or statute, or any law amendatory thereof;

- 4.22.2 Bodily injury or property damage with respect to which an Insured under this policy is also Insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability;
- 4.22.3 Bodily injury or property damage resulting directly or indirectly from the **NUCLEAR ENERGY HAZARD** arising from:
- 4.22.3.1 the ownership, maintenance, operation or use of a **NUCLEAR FACILITY** by or on behalf of an Insured;
 - 4.22.3.2 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**;
 - 4.22.3.3 the possession, consumption, use, handling, disposal or transportation of **FISSIONABLE SUBSTANCES**, or of other **RADIOACTIVE MATERIAL** (except radioactive isotopes, away from a **NUCLEAR FACILITY**, which have reached the final stage of fabrication so as to be usable from any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

As used in this policy:

- 4.22.4 The term **NUCLEAR ENERGY HAZARD** means the radioactive, toxic, explosive, or other hazardous properties of **RADIOACTIVE MATERIAL**;
- 4.22.5 The term **RADIOACTIVE MATERIAL** means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
- 4.22.6 The term **NUCLEAR FACILITY** means:
- 4.22.6.1 any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - 4.22.6.2 any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
 - 4.22.6.3 any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them 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 contains more than 250 grams of uranium 235;

- 4.22.6.4 any structure, basin, excavation, premises or place prepared or used for the structural storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- 4.22.7 The term **FISSIONABLE SUBSTANCE** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
- 4.22.8 With respect to property, loss of use of such property shall be deemed to be property damage.

5.0 LIMITS OF INSURANCE AND DEDUCTIBLE

- 5.1 The Limits of Insurance shown in the Declarations are the most we will pay regardless of the number of Insureds, **CLAIMS**, or individuals or entities making **CLAIMS**. The most we will pay for **CLAIMS** arising out of **PROFESSIONAL SERVICES** against more than one **MEMBER** that relate to one project shall not exceed an amount of \$250,000.
- 5.2 The Limits of Insurance will apply as follows:
 - 5.2.1 the limit of \$100,000 for each **CLAIM** is the most we will pay for the sum of damages for any single **CLAIM** inclusive of any amount paid under section 3.2 Supplemental Coverage.
 - 5.2.2 the most we will pay for the sum of damages for all **CLAIMS** made against you during each consecutive (12) twelve months of the policy period beginning on the effective date, is \$100,000 whether payable on a single **CLAIM** or two or more **CLAIMS**.
 - 5.2.2 the project limit of \$250,000 is the most we will pay for the sum of damages for all **CLAIMS** against more than one Insured relating to one project, inclusive of any amount paid under section 3.2 Supplemental Coverage.
 - 5.2.3 the policy aggregate shown in the Declarations is the most we will pay for the sum of all payments, including but not limited to damages and **CLAIMS EXPENSES**, on all **CLAIMS MADE AND REPORTED** under this policy during each consecutive (12) twelve months of the policy period beginning on the effective date.
- 5.3 The Limits of Insurance shown in the Declarations apply in excess of the Deductible, if any, described in section 5.4.
- 5.4 The Deductible, if any, shown in the Declarations will apply as follows:
 - 5.4.1 You must pay the Deductible before we are obligated to pay. You must make prompt payment of the Deductible upon written request.
 - 5.4.2 The Deductible for each **CLAIM** is the most you must pay as a Deductible for any single **CLAIM**.
- 5.5 Any **PROFESSIONAL SERVICES** rendered or expenses incurred by you arising out of a **CLAIM**, or any return, withdrawal or reduction of fees, will not be paid.

6.0 CONDITIONS AFFECTING THIS INSURANCE

6.1 When There Is a CLAIM

6.1.1 You must promptly notify us or our authorized representative of any CLAIM. Notice must be in writing and include:

6.1.1.1 how, when and where the CLAIM took place; and

6.1.1.2 the names and addresses of any witnesses or injured individuals.

6.1.2 You must also:

6.1.2.1 immediately send us copies of any demands, notices, summonses or legal papers received in connection with the CLAIM;

6.1.2.2 authorize us to obtain relevant records and other information related to the CLAIM;

6.1.2.3 cooperate with us in the investigation, defense and settlement of the CLAIM;

6.1.2.4 for CLAIMS in venues where we do not provide a defense, allow us to monitor with your designated legal counsel in the investigation, defense and resolution of the CLAIM; and

6.1.2.5 assist us, upon our request, in the enforcement of any right against any individual or entity that may be liable to you because of the CLAIM.

6.1.3 Expenses incurred by you for cooperation and assistance are not recoverable under this policy.

6.1.4 You will not, except at your own cost, voluntarily make payment, assume any obligation, or incur any expenses without our written consent.

6.2 Settlement

We will not settle any CLAIM without your written consent. If, however, you withhold your consent to any settlement recommended by us and elect to contest that CLAIM or continue the litigation, then our liability for that CLAIM will not exceed the amount for which that CLAIM would have been settled plus CLAIM EXPENSES up to the date you withheld consent.

In the event that you cannot be located at the last address appearing in this policy, we may settle the CLAIM without your written consent.

6.3 Transfer of Rights of Recovery Against Others to Us

You and the Company may have rights to recover all or part of any payment you or the Company make under this policy. If so, those rights are transferred to us. You must do nothing to impair them. At our request, you will do whatever is necessary to secure such rights and help us enforce them.

6.4 Transfer of Your Rights and Duties

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Insured.

6.5 Dispute Resolution

If there is a dispute between you and the Company in the interpretation or application of this policy, the dispute will be referred to mediation prior to the initiation of any legal proceeding. The parties agree to meet with a qualified mediator in a good faith effort to negotiate a resolution of the dispute. The mediation will continue until the dispute is resolved; or the mediator notifies the parties that it is unlikely that the dispute will be resolved through mediation; or any party elects, after a minimum of thirty (30) days after the first mediation session, to end the mediation.

6.6 Legal Action Against Us

No individual or entity has a right under this policy to join us as a party or otherwise bring us into a suit seeking damages from an Insured, or to sue us unless all of the terms of this policy have been met.

6.7 Other Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent, or on any other basis, and specific exclusions in this policy always apply. When this insurance is excess, we will not defend any CLAIM that any other insurer has a duty to defend. If no other insurer defends, we have the right but not a duty to do so. If we defend, we will be entitled to your rights against all other insurers.

6.8 Premiums

Each PARTICIPATING ASSOCIATION is responsible for the payment of its proportionate share of all premiums and Deductible, if any, and will be the payee for any return premium we pay.

6.9 Examination and Audit

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three (3) years afterward.

6.10 Bankruptcy

Bankruptcy or insolvency of an Insured or of an Insured's estate will not relieve us of our obligation under this policy. However, this insurance will not apply to liability directly or indirectly due to bankruptcy, insolvency, receivership or subsequent liquidation.

6.11 Cancellation for Non-payment

We may cancel this policy by mailing or delivering to each applicable PARTICIPATING ASSOCIATION written notice of cancellation for that PARTICIPATING ASSOCIATION, at least fifteen (15) days before the effective date of cancellation, if we cancel for nonpayment of premium. Notice of cancellation will state the effective date of cancellation. The policy period for that PARTICIPATING ASSOCIATION will end on that date.

We will mail or deliver our notice to the applicable PARTICIPATING ASSOCIATION'S last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

6.12 Changes

This policy contains all agreements between you and the Company concerning the insurance provided. All **PARTICIPATING ASSOCIATIONS** shown in the Declarations acting as a group, are the only representatives of Insureds authorized to request changes in the terms of this policy. Policy terms can be amended or waived only by Endorsement issued by us and made a part of this policy.

6.13 Currency

All monetary references in this policy are in Canadian currency.

6.14 Governing Law

This contract is governed by the laws of the province of Ontario.

6.15 Terms of Policy Conformed to Statute

Any terms of this policy that are in conflict with the statutes of the province in which this policy is issued are hereby amended to conform to such statutes.

The Company has caused this policy to be signed by its authorized officers, but it is not valid unless countersigned on the Declarations page by a duly authorized representative of the Company.

IN WITNESS WHEREOF the Company has caused this Policy to be signed by the Canadian Chief Agent and countersigned on the Declarations by a duly authorized agent of the Company.



Canadian Chief Agent