

INSURANCE & FINANCIAL McDougall

September 15, 2021

Canadian Association of Retired Teachers
2448 Orient Park Dr
Gloucester, ON K1B 4N1

Dear Roger:

Re: Markel International - Policy #ONL680098

We are pleased to enclose your new Markel Directors and Officers policy and wordings effective October 7, 2021. Kindly review and advise if any changes should be made. ***Please refer to the actual policy wordings for details.*** Your rights and obligations under the policy are governed by the attached documents. If you have questions at any time regarding your coverage or require another copy of your policy documents, please contact the undersigned.

We trust you will find the attached to be in order. Should you have any questions, changes or concerns, please do not hesitate to contact our office.

Sincerely,



Scott H. Lee, CAIB
Commercial Account Executive
slee@mcdougallinsurance.com
613 650-2816

Your Account Manager can assist you with any questions regarding your coverage:

Kim Watson
kwatson@mcdougallinsurance.com
613 650-5304

McDougall

INSURANCE & FINANCIAL

Real people
working for you,
since 1946.

Invoice

McDougall Insurance Brokers Limited
321 Concession St.
Kingston, ON, K7K 2B9
t. 613.650.1574
tf. 1.888.773.0076

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Canadian Association of Retire
2448 Orient Park Dr
Gloucester, ON K1B 4N1

Account Executive

Scott H. Lee, CAIB

Account Representative

Kim Watson

Insured: Canadian Association of Retired Teachers DBA: Acer...

PLEASE DETACH AND RETURN WITH PAYMENT

Insured's Name

Canadian Association of Retired Teachers DBA: Acer-Cart

Policy Number

ONL680098

Policy Period

2021/10/07 - 2022/10/07

Transaction Type	Effective	Company	Description	Amount
Rewrite	2021/10/07	Markel Canada LP	Directors and Officers, ON	525.00
Rewrite	2021/10/07		Provincial Tax, ON	42.00

Account Balance : \$567.00

Invoice Total

This invoice is for your Markel Directors & Officers policy for the period October 7, 2021 to October 7, 2022.

567.00

Thank you

A late charge of 1.5% per month (18% per year) will be added on overdue balances, past 30 days

Invoice Number

3700503

Date

2021/09/15

Code of Consumer Rights and Responsibilities

Insurers (including Lloyd's Underwriters), along with the brokers and agents who sell home, auto and business insurance are committed to safeguarding your rights both when you shop for insurance and when you submit a claim following a loss. Your rights include the right to be informed fully, to be treated fairly, to timely complaint resolution, and to privacy. These rights are grounded in the contract between you and your insurer and the insurance laws of your province. With rights, however, come responsibilities including, for example, the expectation that you will provide complete and accurate information to your insurer. Your policy outlines other important responsibilities. Insurers and their distribution networks, and governments also have important roles to play in ensuring that your rights are protected.

Right to Be Informed

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

Responsibility to Resolve Disputes

You should always enter into the dispute resolution process in good faith, provide required information in a timely manner, and remain open to recommendations made by independent observers as part of that process.

Right to Complaint Resolution

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

Right to Professional Service

You have the right to deal with insurance professionals who exhibit a high ethical standard, which includes acting with honesty, integrity, fairness and skill. Brokers and agents must exhibit extensive knowledge of the product, its coverages and its limitations in order to best serve you.

Right to Privacy

Because it is important for you to disclose any and all information required by an insurer to provide the insurance coverage that best suits you, you have the right to know that your information will be used for the purpose set out in the privacy statement made available to you by your broker, agent or insurance representative. This information will not be disclosed to anyone except as permitted by law. You should know that Lloyd's Underwriters are subject to Canada's privacy laws - with respect to their business in Canada.

Notice Concerning Personal Information

How we use your information

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her consent to the collection, use and disclosure of personal information. Consent is subject to the customer's understanding of the nature, purpose and consequences of the collection, use or disclosure of their personal information.

Information is collected and stored for the following purposes:

- Communication with Lloyd's policyholders
- Underwriting of policies
- Evaluation of claims
- Analysis of business results
- Purposes required or authorized by law

We collect, process and store the following personal information about you:

- Name
- Address including postal code and country
- Policy number
- Claim number
- Credit card details
- Bank account details

We also collect information about you when you visit www.lloyds.com. Further details can be found on our online Privacy & Cookies policy at <http://www.lloyds.com/common/privacy-and-cookies-statement>

We will not use your personal information for marketing purposes and we will not sell your personal information to other parties.

Who we disclose your information to

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataires, and to certain non-related or unaffiliated organisations or companies, including service providers. These entities may be located outside Canada therefore a customer's information may be processed in a foreign jurisdiction (the United Kingdom and the European Union) and their information may be accessible to law enforcement and national security authorities of that jurisdiction.

Disclosure without consent

The following are reasonable grounds to permit the disclosure of personal information without the knowledge or consent of a customer:

- Detecting or suppressing fraud
- Investigating or preventing financial abuse
- For communication with the next to kin or authorized representative of an injured, ill or deceased individual
- Witness statement necessary to assess, process or settle insurance claims
- Information produced in the course of employment and the disclosure is consistent with the purpose it was produced for

How to access your information and/or contact us

To access and request correction or deletion of your information, or to obtain written information about Lloyd's policies and practices in respect of service providers located outside Canada, please contact the Ombudsman at info@lloyds.ca. The Ombudsman will also answer customer's questions about the collection, use, disclosure or storage of their personal information by such Lloyd's service providers.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's at: 514 861 8361, 1 877 455 6937, or through info@lloyds.ca.

LLOYD'S UNDERWRITERS' POLICYHOLDERS' COMPLAINT PROTOCOL

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products. We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:

Lloyd's Underwriters

Attention: Complaints Officer
1155 rue Metcalfe, Suite 2220, Montréal (Québec) H3B 2V6
Tel: 1-877-455-6937
Fax: (514) 861-0470
E-mail: info@lloyds.ca

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction, you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

General Insurance OmbudService (GIO): assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at: 1-877-225-0446 (Toll Free) or www.giocanada.org

For Quebec clients:

Autorité des marchés financiers (AMF): The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at: 1-877-525-0337 (Toll Free) or www.lautorite.qc.ca

If you have a complaint specifically about Lloyd's Underwriters complaints handling procedures you may contact the FCAC.

**Management Liability Insurance**

Effected with Certain Underwriters at Lloyd's "the Insurer" through Lloyd's Approved Coverholder ("the Coverholder"):

MARKEL CANADA LIMITED**200 Wellington Street West, Suite 400
Toronto, ON M5V 3C7**

In return for payment of the premium, in reliance on the information disclosed in your online submission and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

DECLARATIONS OF CLAIMS MADE COVER

Policy Number: ONL680098-01
Named Insured(s): Canadian Association of Retired Teachers
Mailing Address: 2448 Orient Park Dr,
Gloucester, ON K1B 4N1
Policy Period: From: October 7, 2021 To: October 7, 2022
12:01 a.m. Standard Time at the address of the Name Insured as Stated above.
Premium: \$525.00 (Minimum Retained 100%)
Operating Insuring Clause(s): Management Liability
Broker: MCDUGALL UCC INSURANCE BROKERS A DIVISION OF MCDUGALL INSURANCE LIMITE

POLICY TERMS and CONDITIONS as per standard policy forms ONL NFP 600001 (11/03/18) E, COVERAGES, LIMITS, RETENTIONS and TERRITORY are listed on page 2 of these Declarations, and endorsements CONTA-E, EO-003E, PCYBEX-E, SANCT attach and complete this Policy.

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. MKL2021001, UMRB6027MKL2021001 (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 200 Bay Street, Suite 2930 Toronto, Ontario M5J 2J2.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

In witness whereof this policy has been signed as authorized by the Underwriters, by **Markel Canada Limited**

Per **The Insured is requested to read this policy, and if incorrect, return it immediately for alteration.**

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder. All inquiries and disputes are also to be addressed to this Coverholder.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of
Lloyd's Underwriters' Insurance business in Canada.

DECLARATIONS OF COVER

Attached to and forming part of the Policy ONL680098-01

Canadian Association of Retired Teachers

Management Liability (Claims Made)

Limit of Liability: \$1,000,000 Per Claim and Aggregate
Costs: Inclusive to limit of liability
Retention for Claims: \$2,500
Territory: Worldwide
Applies only to Loss of the Insured Organization or for which an Insured Person is indemnified.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of
Lloyd's Underwriters' Insurance business in Canada.

ENDORSEMENTS

Attached to and forming part of the Policy ONL680098-01

Canadian Association of Retired Teachers

Endorsement Reference: CONTA-E

Effective Date: October 7, 2021

Contagion Exclusion Endorsement

Endorsement Ref: CONTA-E Contagion Exclusion Endorsement

READ THIS ENDORSEMENT CAREFULLY AS IT MAY EFFECT COVERAGE UNDER THE POLICY

This Insurance Policy provides no coverage for any **Claim** in any way caused by, arising out of or resulting from any disease or contagion, including that designated as such by any of the following:

- A. a Federal, Provincial, Territorial or Municipal authority or agency;
- B. a Minister of the Federal, Provincial or Territorial Crown;
- C. a person occupying the position of Chief Medical Officer of Health (or similar position) of a Province, Territory or Municipality;
- D. the World Health Organisation;
- E. the Center for Disease Control/Centre for Disease Control of
 - i) Canada or any Canadian Province or Territory;
 - ii) the United Kingdom of Great Britain and Northern Ireland; or
 - iii) of the United States of America and any American State or Territory.

For purposes of this Endorsement, disease or contagion so designated shall include:

- a) any derivative, mutation or variation of the disease or contagion;
- b) any fear or threat of the spread of the disease or contagion;
- c) any failure to prevent, contain or eradicate the disease or contagion.

For purposes of greater clarity the following are diseases or contagion that are excluded pursuant to this endorsement:

- 1) Coronavirus disease (COVID-19);
- 2) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
- 3) Ebola;
- 4) Avian Influenza (Avian Bird Flu); and,
- 5) Legionella (Legionnaire's Disease).

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the Insurer has caused this Endorsement to be signed by its Authorized Officers.



THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' Insurance business in Canada.

ENDORSEMENTS

Attached to and forming part of the Policy ONL680098-01

Canadian Association of Retired Teachers

Endorsement Reference: EO-003E

Effective Date: October 7, 2021

CONTINUITY - DATE SPECIFIC

It is agreed that the Policy is amended as follows:

The Continuity Date shall be **October 7, 2011**. Continuity Date shall mean the date of the warranty statement included in a signed application for a policy purchased by the **Insured** providing coverage of a similar nature to that afforded by this Policy and which was continued through renewal or reinstatement on an uninterrupted basis since its inception.

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the Insurer has caused this Endorsement to be signed by its Authorized Officers.



THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of
Lloyd's Underwriters' Insurance business in Canada.

ENDORSEMENTS

Attached to and forming part of the Policy ONL680098-01

Canadian Association of Retired Teachers

Endorsement Reference: PCYBEX-E

Effective Date: October 7, 2021

Cyber Incident Exclusion (Portal)

Endorsement Ref : PCYBEX-E

Cyber Incident Exclusion

This exclusion does not apply to coverage afforded by the Cyber Risk Extension Endorsement, Form No. MC-CYBER-ENDT-E (ed. 03-01-16) if attached to this policy. PLEASE READ IT CAREFULLY.

This Policy provides no coverage for any claim or suit that in any way, in whole or in part, directly or indirectly, arises out of, relates to or results from a **cyber incident**, including but not limited to, any action taken in controlling, preventing, suppressing or remediating any **cyber incident**.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the injury or damage.

As used in this exclusion, **computer system** means any computer, hardware, software, application, process, code, programme, information technology and communications system or electronic device owned or operated by the Insured or any other party, including any similar system or any configuration or networking of the aforementioned. This includes any associated input, output or data storage device, networking equipment or back up facility.

Cyber incident means any incident or series of incidents, regardless of time and place, or the threat or hoax thereof involving the use or operation of any **computer system** or the access to, processing, transmission, storage or use of any **electronic data** (including any reduction in or loss of ability to perform these functions, or any error or omission or accident in respect of any **computer system** or **electronic data**).

Electronic data means any information capable of being accessed, processed, transmitted or stored by a **computer system**, including but not limited to text, figures, voice, images or any machine readable data, irrespective of the way it is used or rendered.

All other terms, conditions, exclusions and definitions remain unchanged.

Dated: February 9, 2021

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the Insurer has caused this Endorsement to be signed by its Authorized Officers.



THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' Insurance business in Canada.

ENDORSEMENTS

Attached to and forming part of the Policy ONL680098-01

Canadian Association of Retired Teachers

Endorsement Reference: SANCT

Effective Date: October 7, 2021

Sanction Limitation

Endorsement Ref : SANCT

Sanction Limitation

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the premium charged, it is agreed that the policy is amended by adding the following:

It is understood and agreed that the insurer will not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade and economic sanctions, laws, or regulations of Canada, United Kingdom, European Union or United States of America.

All other terms, conditions, exclusions and definitions remain unchanged.

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the Insurer has caused this Endorsement to be signed by its Authorized Officers.



THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE.
For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' Insurance business in Canada.



Management liability insurance for non-profit organizations and charities

PLEASE READ THE ENTIRE POLICY CAREFULLY

This insurance is subject to its Insuring Clauses, Exclusions, Conditions, **Claims** Conditions and Definitions as well as the Declarations and any Endorsements forming part of this Policy.

The Common Exclusions, Common Conditions, Policy Conditions and Common Definitions of the Policy apply to all Insuring Clauses in addition to the Exclusions, Conditions, Statutory Conditions and Definitions applicable under each individual Insuring Clause unless endorsed herein to the contrary.

In consideration of the payment of Premium, the undertaking of the Named **Insured** to pay the Retention for Claims as stated in the Declarations and in reliance upon the statements in the **Application**, which is agreed to be the basis of this contract and is considered as incorporated herein, we agree with the Named **Insured** to pay or indemnify to the extent and in the manner herein provided subject to the terms, limitations, exclusions and conditions of this Policy.

Words and phrases that appear in bold print have special meaning and are defined in the Common Definitions section of this Policy and within individual Insuring Clauses where applicable.

Throughout this Policy the words **You** and **Your** refer to the Named **Insured** shown in the Declarations and other persons or organizations qualifying as a Named **Insured** as described within each Insuring Clause. The words **We**, **Us** and **Our** refer to the Insurer providing this insurance.

THIS INSURANCE PROVIDES CLAIMS MADE COVERAGE FOR MANAGEMENT LIABILITY. EXCEPT AS OTHERWISE PROVIDED SUCH COVERAGE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED AND NOTIFIED TO US DURING THE POLICY PERIOD

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In consideration of payment of the premium and subject to the terms of this Policy, the **Underwriters** and the **Policyholder** agree as follows

INSURING CLAUSE(S)

1. The **Underwriters** shall pay **Loss** on behalf of the **Insured**.

DEFINITIONS

2. In this Policy the word 'person(s)', wherever it appears, means legal or natural person(s) unless otherwise specified.

When used in bold type in this Policy:

Claim means

- (a) a written demand seeking monetary damages or non-monetary relief;
- (b) a civil proceeding, including a third party proceeding, counterclaim or arbitration proceeding, commenced by the service of a statement of claim or similar pleading;
- (c) a criminal proceeding commenced by the laying of an information, return of an indictment, or similar document, or receipt or filing of a notice of charges; or
- (d) a formal administrative or formal regulatory proceeding commenced by the filing of a notice of charges, investigative order or similar document,

including any appeal therefrom, first made against any **Insured(s)** during the **Policy Period**, or any applicable Extended Reporting Period, alleging a **Wrongful Act** and reported to the **Underwriters** in accordance with the provisions of this Policy; and

- (e) a formal demand or proceeding arising out of the failure of the **Insured Organization** to collect or remit sales taxes, pay salaries or wages to employees or deduct, withhold or remit tax, unemployment insurance contributions, or pension plan contributions from payments of such salaries or wages,

including any appeal therefrom, first made against any **Insured Person(s)** during the **Policy Period**, or any applicable Extended Reporting Period, alleging a **Wrongful Act** and reported to the **Underwriters** in accordance with the provisions of this Policy.

Defence Costs means that part of **Loss** consisting of reasonable and necessary costs, expenses, charges and fees, including but not limited to lawyers' fees and experts' fees, incurred, following the consent of the **Underwriters**, which shall not be unreasonably withheld, in defending a **Claim**. **Defence Costs** shall also include premium paid for insurance instruments or for bonds which are required in order to institute an appeal but without any obligation to furnish or procure such insurance instruments or bonds. **Defence Costs** shall not include wages, salaries, fees, overhead or benefit expense of the directors, officers, trustees, managers, or any other employee, of the **Insured Organization**.

Employment Claim means a **Claim** brought:

- (i) by any **Insured Person** or any past, present or prospective employee of an **Insured Organization**; or
- (ii) by any past, present or prospective employee of an **Outside Entity** against an **Insured Person** serving in an Outside Directorship; or

(iii) by any government authority regulating employment practice;

based upon or arising out of an actual or alleged wrongful or unfair dismissal, discharge or termination of employment, breach of any oral or written employment contract or quasi-employment contract, employment-related misrepresentation, employment-related discrimination, employment-related harassment, wrongful failure to employ or to promote, wrongful disciplinary action, wrongful deprivation of a career opportunity, failure to grant tenure, negligent evaluation, employment-related defamation, employment-related breach of data protection laws, or employment-related wrongful infliction of emotional distress, including any of these which may constitute retaliatory action in respect of whistle-blowing. **Employment Claim** shall not include any labour or grievance arbitration or other proceeding pursuant to a collective bargaining agreement.

Financial Impairment means the status of the **Insured Organization** resulting from:

- (i) the appointment by any provincial, state or federal official, agency or court of any liquidator, receiver, conservator, rehabilitator, administrator, supervisor, sequestrator, or bankruptcy trustee, or other similar official to take control of, supervise, manage or liquidate the **Insured Organization** or **Outside Entity**, or
- (ii) the **Insured Organization** or **Outside Entity** seeking to restructure its financial affairs by way of a proposal of a compromise or arrangement under the Canada Companies' Creditors Arrangement Act, or
- (iii) the **Insured Organization** or **Outside Entity** becoming a debtor in possession.

Insured(s) means the **Insured Organization(s)** and the **Insured Person(s)**.

Insured Capacity means the position which the **Insured Person** has been retained, appointed or employed to perform in their managerial, fiduciary or employed capacity within an **Insured Organization**.

Insured Organization means an entity which is the **Policyholder** and any non-profit **Subsidiary**.

Insured Person(s) means a natural person who has been, now is or shall become a director or officer, de facto director, trustee, employee, volunteer, or member of the staff, faculty or any duly constituted committee, or the equivalent in any jurisdiction, of the **Insured Organization** and their:

- (a) lawful spouse (including common law spouse or domestic partner) if named as co-defendant solely because of such relationship; or
- (b) estate, heirs, legal representatives or assigns, if such director or officer, de facto director, trustee, employee, volunteer, or member of the staff, faculty or any duly constituted committee is deceased or declared incompetent, insolvent, or bankrupt;

but solely for the **Wrongful Act** of such director or officer, de facto director, trustee, employee, volunteer, or member of the staff, faculty or any duly constituted committee, or the equivalent in any jurisdiction, of the **Insured Organization**.

Insured Person(s) does not include (i) external auditors of an **Insured Organization** or any liquidator, receiver, administrator, supervisor, sequestrator or bankruptcy trustee, or other similar official of an **Insured Organization** or of an **Insured Organization's** assets, or (ii), with respect to Exclusion 3(k), any employee or other person who receives wages or salary paid by the **Insured Organization**.

Loss means the amount which the **Insured** is legally obligated to pay on account of a **Claim** including:

- (a) **Defence Costs;**

(b) judgments, prejudgment and post judgment interest, awards of Claimant's costs, sums payable pursuant to any settlements and awards of damages, and shall also include punitive, exemplary or aggravated damages that an **Insured** is legally obligated to pay in a jurisdiction where such punitive, exemplary or aggravated damages are insurable under the law of such jurisdiction.

Loss does not include:

- (a) matters uninsurable under the law pursuant to which this Policy shall be construed;
- (b) fines or penalties, or the multiple portion of any multiplied damages award;
- (c) punitive, exemplary or aggravated damages in any **Employment Claim** (unless awarded for employment-related defamation);
- (d) future salary or wages including bonuses, or any benefits (including perquisites, fringe benefits, payments in connection with any employee benefit plan) owed to a Claimant pursuant to the terms of any employment contract, settlement, order or other resolution; or any compensation claimed in respect of a notice period, or any of the foregoing owed to a Claimant who has been or shall be hired, promoted or reinstated to employment;
- (e) any amount for which any **Insured** is absolved from payment other than an **Insured Person** being indemnified by an **Insured Organization**;
- (f) any costs incurred to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief, or
- (g) any amount incurred by an **Insured Organization**, including its board of directors or any committee of the board of directors, in connection with the investigation or evaluation of any **Claim** or potential **Claim** by or on behalf of an **Insured Organization**.

Outside Entity means an entity which is a tax-exempt non-profit entity, trade association or a registered charity.

Outside Entity does not include an entity that:

- (a) is within the definition of **Insured Organization**;
- (b) is located in the **U.S.A.**;
- (c) is a publicly traded company, privately held company, public limited company, government or crown owned corporation or any other entity which is not a non-profit entity, trade association or a registered charity, unless included by endorsement.

Personal Injury means bodily injury, mental anguish or emotional distress (except mental anguish or emotional distress for which the Claimant seeks compensation in an **Employment Claim**), sickness, disease or death of any natural person.

Policyholder means the entity stated as the Named **Insured** in the **Declarations**.

Policy Period means the period of time stated in the **Declarations** but subject to prior termination when cover terminates in accordance with Section 22 below. If the period is less than or greater than one year, then the Limits of Liability stated in the **Declarations** shall constitute the **Underwriters'** maximum Limits of Liability for the entire period.

Pollutants means any substance exhibiting any characteristic hazardous to the environment or having an adverse impact on the environment, including but not limited to solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, soil, chemicals and waste materials, air emissions, odour, waste water, oil, oil products, infectious or medical waste, asbestos, asbestos products, noise, fungus (not fungi intended by **Insured** for consumption) and electric or magnetic or electromagnetic field.

Pollution means:

- (a) any actual, alleged or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, escape, treatment, removal or disposal of, any **Pollutants**; or
- (b) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise any **Pollutants**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request.

Property Damage means physical damage to or destruction or **Loss** of use of any tangible property, including intellectual property.

Retired Insured Person means a director, officer or trustee of the **Insured Organization** who has ceased to act in their **Insured Capacity** during the **Policy Period** for reasons other than disqualification from holding the office of director.

Subsidiary means any tax-exempt non-profit entity, association, registered charity, foundation, or any other non-profit entity which the **Policyholder** either directly or indirectly controls at the inception date of the **Policy Period**, or controlled prior to the inception date of the **Policy Period**, through:

- (a) holding a majority of the voting rights;
- (b) the right to appoint or remove a majority of its board of directors; or
- (c) controlling alone, pursuant to a written agreement with other shareholders, a majority of the voting rights therein.

Subsidiary shall not include any entity, non-profit or otherwise, located in the **U.S.A.**

Underwriters means Certain Lloyd's **Underwriters** as described in the **Declarations**.

U.S.A. means the United States of America, its territories and possessions and any state or political subdivision thereof.

Wrongful Act means any **Wrongful Act** or omission, error, misstatement, misleading statement, neglect, or breach of duty committed, attempted, or allegedly committed or attempted, by an **Insured Organization**, or by an **Insured Person**, individually or otherwise, in their **Insured Capacity**, or any matter claimed against an **Insured Person** solely by reason of their serving in such **Insured Capacity**.

EXCLUSIONS APPLICABLE TO ALL INSURING CLAUSES

- 3. The **Underwriters** shall not be liable for **Loss** on account of any **Claim**:
 - (a) based upon, arising from, or in consequence of any circumstance if written notice of such circumstance has been given under any policy which this Policy renews, replaces or follows in whole or in part and if such prior policy affords coverage (or would afford such coverage except for the exhaustion of its limits of liability) for such **Loss**, in whole or in part, as a result of such notice;

- (b) based upon, arising from, or in consequence of any claim form, writ, demand, suit or other proceeding pending, or order, decree or judgment entered, for or against any **Insured** or **Outside Entity** on or prior to the inception date, unless otherwise specified by endorsement to this Policy, of the first Policy issued by the **Underwriters** to the **Insured(s)** providing coverage of a similar nature to that afforded by this Policy and which was continued through renewal or reinstatement on an uninterrupted basis since its inception, or derived from the same or essentially the same fact, circumstance or situation as any of those underlying or alleged in such claim form, writ, demand, suit, other proceeding, order, decree or judgment;
- (c) for **Personal Injury** or **Property Damage** except;
 - (i) **Defence Costs** arising from a **Claim** pursuant to Bill 168, Occupational Health and Safety Amendment Act; or
 - (ii) **Defence Costs** arising from a **Claim** pursuant to Section 217.1 of the Criminal Code of Canada (as amended by Bill C-45);
- (d) except that part of **Loss** which is **Defence Costs**, based upon, arising from, or in consequence of (i) any actual or alleged breach of any oral, written or implied contract or agreement; or (ii) for liabilities of others assumed by any **Insured** under any contract or agreement, except to the extent in either (i) or (ii) of this paragraph the **Insured** would have been liable in the absence of such contract or agreement; however, this exclusion shall not apply to an **Employment Claim**;
- (e) based upon, arising from, or in consequence of the actual or proposed payment by an **Insured Organization** of inadequate or excessive consideration in connection with any purchase by any **Insured** of any assets or of any securities issued by any entity except that part of **Loss** which is **Defence Costs**;
- (f) based upon, arising from or in consequence of:
 - (i) any criminal, dishonest or fraudulent act or omission committed deliberately by an **Insured**;
 - (ii) any wilful breach of law by an **Insured**; or
 - (iii) an **Insured** having gained any personal profit, remuneration or advantage to which such **Insured** was not legally entitled,
 as determined by final adjudication;
- (g) based upon, arising from or in consequence of the rendering or failure to render any professional service(s) for others whether compensated for such services or not;
- (h) for payment by the **Insured Organization** of salaries, wages, severance pay, vacation pay, bonus, fringe benefits, stock, stock options, or any other monetary allowances required to be paid by law or required by the terms of any applicable contract or agreement, or any consequential compensatory damages awarded against the **Insured Organization**, except that part of **Loss** which is **Defence Costs** and any liability imposed upon the **Insured Persons** by statute;
- (i) for breach of any law governing, breach of duty of, or breach of trust by, an **Insured** relating to any superannuation, pension plan, profit sharing, health and welfare or other employee benefit plan or programme, trust or scheme, whether or not established or maintained by the **Insured**, to provide benefits to **Insured Persons**, or for the cost of compliance therewith;
- (j) based upon, arising from or in consequence of any publication or utterance concerning any organization or business enterprise or its products or services made by or at the direction of any **Insured** with knowledge of the falsity thereof; or the printing of periodicals, advertising matter, or any or all jobs taken by any **Insured** to be printed for any other person or entity when the periodical, advertising matter or other printing is not a regular part of the **Insured's** own activities;

- (k) by or on behalf of any **Insured**, except:
 - (i) a derivative action brought on behalf of the **Insured Organization** without the solicitation, assistance, participation or intervention of any other **Insured**;
 - (ii) an **Employment Claim**;
 - (iii) a **Claim** by an **Insured Person** for contribution or indemnity if such **Claim** directly results from another **Claim** covered under this Policy;
 - (iv) a **Claim** by a former **Insured Person** who has not served in an **Insured Capacity** for at least 3 years prior to the date such **Claim** is first made and who brings and maintains such **Claim** without any active assistance or participation of, or solicitation by, any other **Insured**; or
 - (v) a **Claim** by or on behalf of an **Insured Organization**, due to its insolvency or bankruptcy and at the instigation of its liquidator, receiver, administrator, supervisor, sequestrator or bankruptcy trustee, or other similar official;
- (l) for **Pollution** except **Defence Costs** incurred solely by the **Insured Person** and which are not indemnified by the **Insured Organization**. The aggregate limit of liability for such **Defence Costs** for **Pollution** shall be 50% of the aggregate Limits of Liability stated in the Declarations of this Policy up to a maximum aggregate limit of liability of \$1,000,000. for such **Defence Costs** for **Pollution** and shall be part of, and not in addition to, the aggregate Limits of Liability stated in the Declarations of this Policy.
- (m) based upon, arising from or in consequence of the operations of any political action committee.
- (n) based upon, arising from, or in consequence of any process, procedure, function or activity involving:
 - (i) peer review
 - (ii) credential certification, designation, license, award, rating or similar judgement; or
 - (iii) discipline, penalty, or punishment.

Unless such **Claim** is an **Employment Claim**.

SEVERABILITY OF EXCLUSIONS

4. For purposes of determining whether an Exclusion will apply, no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**. Only facts pertaining to and knowledge possessed by any past, present, or future in-house general counsel, chief financial officer, chief executive officer, chief operating officer, executive director, trustee, duly constituted committee member or chairperson, president or chairman (or equivalent positions) of any **Insured Organization** shall be imputed to any **Insured Organization** for the purpose of determining if coverage is available under this Policy.

EXTENDED REPORTING PERIOD

5. (a) If the **Underwriters** refuse to renew this Policy or the **Policyholder** cancels or non-renews this Policy:
 - (i) the **Policyholder** and/or the **Insured Persons** may elect to obtain an Extended Reporting Period for an period of 1 year for an additional premium of 100% of the annual premium for this Policy provided that written notice of such election and payment of any additional premium are received by the **Underwriters** within 30 days following the expiry of the **Policy Period**. This Extended Reporting Period shall commence from the termination date of the **Policy Period** and shall apply only to **Wrongful Acts** occurring prior to such date; and

- (ii) each **Retired Insured Person** shall have the Extended Reporting Period of 6 years at no additional premium and this Extended Reporting Period shall commence from the date at which that person becomes a **Retired Insured Person** and shall apply only to **Wrongful Acts** occurring prior to such date.

Cancellation of this Policy by the **Underwriters** due to non-payment of premium shall not constitute refusal to renew by the **Underwriters** and shall not constitute cancellation or non-renewal by the **Policyholder**.

- (b) If, before or during an Extended Reporting Period obtainable or obtained under Section 5(a), any **Insured** acquires any other insurance policy which affords directors and officers liability cover (whether or not equivalent to this Policy in cover), for **Wrongful Acts** occurring prior to the date said Extended Reporting Period commenced, then that Extended Reporting Period shall terminate or, if not yet obtained, cease to be obtainable.
- (c) A **Claim** made during an Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**. The entire additional premium for the Extended Reporting Period shall be deemed fully earned at the inception of such Extended Reporting Period.

LIMITS OF LIABILITY, RETENTION AND ORDER OF PAYMENT

- 6. The **Underwriters'** maximum liability for all **Loss** covered under all Insuring Clause(s) as applicable on account of all **Claims** first made or deemed to be made during the **Policy Period**, whether against one or any number of **Insureds**, shall not exceed the Limits of Liability for each **Claim** and in the aggregate for all **Claims** during the **Policy Period** stated in the **Declarations**.

Notwithstanding the above, the **Underwriters'** maximum liability for **Loss** in respect of which a sublimit is specified for each **Loss** and/or for each **Policy Period** in the **Declarations**, within the Policy or any endorsement, shall be that specified sublimit. Sublimits are part of and not in addition to the maximum liability of the **Underwriters** referred to in the above paragraph in this Section 6.

Defence Costs are part of and not in addition to the Limits of Liability stated in the **Declarations** and the payment by the **Underwriters** of **Defence Costs** erodes and may exhaust the Limits of Liability.

All **Loss** arising out of the same **Wrongful Act** and/or arising out of causally-connected **Wrongful Acts**, whether by one or any number of **Insureds**, shall be deemed to be a single **Loss** and to have originated in the earliest **Policy Period** in which a **Claim** is first made alleging said **Wrongful Act** or causally-connected **Wrongful Acts**.

The **Underwriters'** liability for each and every **Claim** shall apply only to **Loss** which is allocated to covered **Loss** and only to that part of **Loss** so allocated which is in excess of the applicable Retention stated in the **Declarations**, which shall be borne by the **Insured** uninsured and at their own risk.

Amounts stated for Limits of Liability for each **Claim** and in the aggregate for all **Claims**, and sublimits stated in the Policy or by endorsement, are maximum liabilities of the **Underwriters** for all **Insureds** together, not maximum liabilities per **Insured**. Payment of **Loss** by the **Underwriters** shall reduce the Limits of Liability. **Underwriters** shall pay **Loss** in the order in which **Loss** is incurred and notified to the **Underwriters**.

REPORTING AND NOTICE

- 7. It is a condition precedent to the **Underwriters'** liability under this Policy for a **Claim** that the **Underwriters** are given written notice as soon as practicable of such **Claim** but in no event later than: (i) 60 days following the expiration of the **Policy Period** provided the **Insured** has not acquired during this 60 day period a replacement insurance policy which affords directors and officers liability cover (whether or not equivalent to this Policy in cover) for **Wrongful Acts** occurring prior to the expiration of the **Policy Period**; or (ii), if applicable, prior to the expiry of the Extended Reporting Period.

If, during the **Policy Period**, an **Insured** becomes aware of circumstances which are likely to give rise to a **Claim** and gives written notice of such circumstances to the **Underwriters**, then any **Claims** subsequently arising from such circumstances shall be deemed to have been made during the **Policy Period** in which the circumstances were first reported to the **Underwriters**. A **Claim** or circumstances shall not be regarded as notified unless, as a condition precedent to the **Underwriters'** liability under this Policy, the written notice expressly identifies the nature of the **Wrongful Act** and the date it was committed, the nature of the alleged or potential damage, the names of the actual or potential Claimants and defendants and the manner in which the **Insured** first became aware of the circumstances.

Notice to the **Underwriters** under this Policy shall be given in writing to the address stated in the **Declarations**, or by email to claims@markelintl.ca. Notice shall be effective on the date of receipt at such address.

DEFENCE AND SETTLEMENT

8. The **Underwriters** shall have the right and duty to defend any **Claim** covered by this Policy and to choose legal counsel for such defence, or alternatively, the **Underwriters** may, at their sole discretion, give written consent to the defence of any such **Claim** by the **Insureds**. Coverage shall apply even if any of the allegations are groundless, false or fraudulent. The **Underwriters'** duty to defend shall cease upon the exhaustion of the applicable Limits of Liability set forth in the **Declarations**. The **Underwriters** shall have the right, and shall be given the opportunity, to associate with each **Insured** in the investigation, defence, negotiation and settlement of any **Claim** that appears reasonably likely to be covered in whole or in part by this Policy.

Each **Insured** agrees not to settle or offer to settle any **Claim**, incur any **Defence Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the **Underwriters'** prior written consent, which shall not be unreasonably withheld. The **Underwriters** shall not be liable for any settlement, **Defence Costs**, assumed obligation or admission to which they have not consented in writing. However, if the **Insureds** are able to settle all **Claims** which are subject to a single Retention for an aggregate amount including **Defence Costs**, not exceeding such Retention, the consent of the **Underwriters** shall not be required for the settlement of such **Claims**.

Each **Insured** undertakes not to prejudice the **Underwriters'** interests or their potential or actual rights of recovery and to give to the **Underwriters** such information and co-operation as the **Underwriters** may require.

The **Underwriters** may make any investigation they deem necessary and may, with the consent of the **Insured**, make any settlement of any **Claim** it deems expedient. If such **Insured** withholds consent to such settlement, the **Underwriters'** liability for all **Loss** on account of such **Claim** shall not exceed: (a) the amount for which the **Underwriters** could have settled such **Claim** plus **Defence Costs** incurred as of the date such settlement proposed in writing by the **Underwriters** to such **Insured**; plus (b) 80% of any **Loss** in excess of the amounts in (a) above incurred in connection with such **Claim** with the remaining 20% to be borne by the **Insureds** uninsured and at their own risk, subject to the Limits of Liability set forth in the **Declarations**.

The **Underwriters** shall, subject to Section 10, **Allocation of Loss**, on a quarterly basis, advance on behalf of the **Insureds**, excess of any applicable Retention amount, covered **Defence Costs** which the **Insureds** have incurred in connection with **Claims** made against them, prior to disposition of such **Claims**. Any advancement of **Defence Costs** shall be repaid to the **Underwriters** by the **Insureds**, severally according to their respective interests, to the extent it is determined that such **Defence Costs** are excluded from coverage under this Policy by Exclusion 3(f) above.

FAILING TO INDEMNIFY

9. If an **Insured Person** is not indemnified or reimbursed by the **Insured Organization** for **Loss** arising out of **Claims** alleging **Wrongful Acts** committed in their **Insured Capacity**, or an **Insured Person** is not indemnified or reimbursed by an **Outside Entity** for a **Loss** arising out of **Claims** alleging **Wrongful Acts** committed by such **Insured Person** serving in an Outside Directorship, for reason other than **Financial Impairment**, then the **Underwriters** will pay that **Loss** on behalf of the **Insured Person** without applying such Retention in the **Declarations** as is otherwise applicable. The **Underwriters** shall be reimbursed for that Retention within 30 days of such payment by the **Insured Organization**. For purposes of this Section 9, it is assumed that the **Insured Organization** or **Outside Entity** is permitted or required to indemnify the **Insured Person** to the fullest extent permitted or required by statutory or common law regardless of any restrictions in contract or restrictions in an **Insured Organization's** or **Outside Entity's** constitution, memorandum, certificate or articles of association, bylaws, shareholders resolutions, or board or other governing body resolutions.

ALLOCATION OF LOSS

10. If the **Insureds** incur both **Loss** that is covered under this Policy and **Loss** that is not covered under this Policy because a **Claim** includes both covered and non-covered matters, or because such **Claim** is made against both the **Insureds** and others, the **Insureds** and the **Underwriters** shall agree:
- (a) to allocate 100% of all **Defence Costs** incurred by the **Insureds** in respect of such **Claim** to covered **Loss**; and
 - (b) to allocate all other amount(s) incurred by the **Insureds** for such **Claim** by exerting their best efforts to agree upon a fair and proper allocation between covered **Loss** and non-covered **Loss**.

Any allocation or payment of **Defence Costs** shall not create any presumption as to the allocation of other **Loss** and the **Underwriters** shall not be liable under this Policy for the portion of any amounts allocated to non-covered **Loss**.

If the **Insured** and the **Underwriters** cannot agree on an allocation, no presumption as to allocation shall exist in any arbitration, suit or other proceeding. The **Underwriters**, if requested by the **Insured**, shall submit the dispute to binding arbitration before a panel, which shall consist of one arbitrator selected by the **Insured**, one arbitrator selected by the **Underwriters**, and a third independent arbitrator selected by the first two arbitrators. The arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute. In the event of arbitration, the arbitrators' award shall not include attorneys' fees or other costs.

OTHER INSURANCE

11. If **Loss** is **Insured** under any other valid policy, then this Policy shall cover such **Loss**, subject to its terms, only to the extent that the amount of such **Loss** is in excess of the amount of payment from such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in this Policy.

CHANGES IN EXPOSURE

Acquisition or Creation of Another Entity

12. (a) If, during the **Policy Period**, any **Subsidiary** is created or acquired by the **Insured** which qualifies as a non-profit organization under the requirements of the applicable laws of the jurisdiction in which the **Subsidiary** is created or acquired, and would have been included within the meaning of **Insured** as a result of the definition of **Insured** under this Policy, then such **Subsidiary** and its **Insured Persons** shall automatically become **Insureds** under this Policy with effect from the date of such creation or acquisition but only with respect to **Wrongful Acts** occurring after such date of acquisition or creation and, as a condition precedent to the **Underwriters'** liability under this Policy, subject to:
- (i) the **Policyholder** giving written notice of such creation or acquisition to the **Underwriters** as soon as practicable, but in no event later than 60 days after the date of such creation or acquisition; and
 - (ii) the **Policyholder** giving any underwriting information required by the **Underwriters** and agreeing to amendment of any terms of this Policy including charging an additional premium.
- (b) If, during the **Policy Period**, any **Subsidiary** created or acquired by the **Insured** does not qualify as a non-profit organization under the requirements of the applicable laws of the jurisdiction in which the **Subsidiary** is created or acquired, such **Subsidiary** shall not be included until the **Policyholder**, as a condition precedent to the **Underwriters'** liability under this Policy, has:
- (i) given written notice of such creation or acquisition together with any underwriting information which may be required by the **Underwriters**; and
 - (ii) received written approval from the **Underwriters** and agreed to the amendments of any terms of this Policy including charging an additional premium.

- (c) If, during the **Policy Period**, the **Policyholder** acquires by merger, or consolidates with, or is merged into or acquired by any other entity, such that the **Policyholder** is not the surviving entity, coverage under this Policy shall continue until the end of the **Policy Period**, or applicable Extended Reporting Period, but only for **Wrongful Acts** occurring prior to the effective date of such merger, consolidation or acquisition. Upon the occurrence of such merger, consolidation or acquisition the entire premium for this Policy shall be deemed fully earned. The **Policyholder** shall give written notice of such merger, consolidation or acquisition to the **Underwriters** as soon as practicable, but in no event later than 60 days after the effective date of such merger, consolidation or acquisition, together with such other information as the **Underwriters** may require.

SUBSIDIARIES

13. In the event an entity ceases to be a **Subsidiary** before or after the inception date of the **Policy Period**, coverage with respect to such **Subsidiary** and its **Insured Persons** shall continue until termination of the Policy but only with respect to **Claims** for **Wrongful Acts** committed prior to the date that such entity ceased to be a **Subsidiary**.

REPRESENTATIONS AND SEVERABILITY

14. In issuing this Policy to the **Policyholder**, the **Underwriters** have relied upon the material declarations, statements and information in the written application for this Policy and, if granting continuity, upon any material declarations, statements and information in the original written application as applicable submitted to another insurer with respect to any prior policy. All such material declarations, statements and information are the basis of this Policy and shall be considered as incorporated in and constituting part of this Policy. Such written applications shall be construed as separate applications for coverage by each **Insured Person** but will be deemed to have been made by all **Insured Organizations**. With respect to the material declarations, statements and information contained in such written applications, for the purpose of determining if coverage under this Policy is available:

- (a) no statement in the applications or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**; and
- (b) only facts pertaining to and knowledge possessed by:
 - (i) the chief financial officer, in-house general counsel, president, chief executive officer, executive director, trustee, duly constituted committee member or chairperson of an **Insured Organization** shall be imputed only to that **Insured Organization**; and
 - (ii) the individuals signing the applications shall be imputed to all **Insured Organizations**.

In the event that such material declarations, statements or information contains any untruths or inaccuracies which would have materially affected the **Underwriters'** decision to issue this Policy, no **Insured Person** who knew of such untruths or inaccuracies at the inception date of the **Policy Period** and no **Insured Organization** by which that **Insured Person** is indemnified, shall have cover under this Policy for any **Loss**. This Policy shall not be rescinded with respect to any other **Insured** who had no knowledge of such untruths or inaccuracies.

OUTSIDE DIRECTORSHIP LIABILITY EXTENSION

15. Subject to the other terms of this Policy, coverage is extended to cover **Loss** arising out of an Outside Directorship provided however that:
- (a) such cover does not extend to the **Outside Entity** nor to any of the other directors, officers, trustees, governors, employees, volunteers or member of the staff, faculty or any duly constituted committee, or equivalent in any jurisdiction, of the **Outside Entity**;

- (b) the **Underwriters'** liability for each and every **Claim** shall apply only to that part of the **Loss** which is excess of:
- (i) all other insurance payable;
 - (ii) the amount of the **Loss** for which the **Insured Person** serving in such Outside Directorship is indemnified by the **Outside Entity**; and
 - (iii) the applicable Retention stated in the Declarations if applicable;
- (c) if the **Insured Person** is entitled to be indemnified by the **Insured Organization** for the **Loss** and the **Insured Organization** does not pay on their behalf, or reimburse them for, that **Loss**, then the **Underwriters** will, subject to Section 15(b)(i) and (ii) above, pay that **Loss** on behalf of the **Insured Person** without applying such Retention in the Declarations as is otherwise applicable and the **Underwriters** shall be reimbursed for that Retention within 30 days of payment by the **Insured Organization**;
- (d) in the event an entity ceases to be an **Outside Entity** before or after the inception date of the **Policy Period**, coverage with respect to any **Insured Person** in an Outside Directorship with such **Outside Entity** shall continue until termination of the **Policy Period** but only with respect to **Claims** for **Wrongful Acts** committed prior to the date that such entity ceased to be an **Outside Entity**;
- (e) payment by the **Underwriters** or any other **Subsidiary**, affiliate or associate of the **Underwriters** under any other policy on account of a Claim also covered under this Policy shall reduce the Limits of Liability available under this Policy by the amount of such payment with respect to such Claim;
- (f) such cover is not extended to **Loss** arising out of an Outside Directorship on account of any Claim:
- (i) by or on behalf of any **Insured**, the **Outside Entity**, or one or more of the **Outside Entity's** directors, officers, trustees, governors, employees, volunteers or members of the staff, faculty or any duly constituted committee, or equivalent position in any jurisdiction, except:
 - (I) an **Employment Claim**;
 - (II) a derivative action brought on behalf of an **Outside Entity** by one or more persons who are neither **Insureds** nor directors, officers, or individuals in equivalent positions in any jurisdiction of such **Outside Entity**, and who are not acting at or with the instigation or solicitation of any such person; or
 - (III) a **Claim** for contribution or indemnity brought or maintained by an **Insured Person** or by one or more of the **Outside Entity's** directors, officers, trustees, governors, employees, volunteers or members of the staff, faculty or any duly constituted committee, or equivalent position in any jurisdiction, of the **Outside Entity**, if such **Claim** directly results from another **Claim** covered under this Policy;
 - (ii) which is for **Wrongful Acts** that occur after the date (a) an **Insured Person** ceases to be an **Insured Person** of the **Insured Organization** or (b) service by the **Insured Person** in the Outside Directorship ceases to be at the specific written request of an **Insured Organization** or not considered nor evidenced as part of the duties of such **Insured Person** in their **Insured Capacity**.

TERRITORY

16. Subject to all other terms of this Policy, cover shall extend to **Claims** brought or maintained in Canada.

VALUATION AND FOREIGN CURRENCY

17. All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of Canada unless otherwise stated. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is incurred in a currency other than Canadian dollars, or such other currency stated, payment under this Policy shall be made in Canadian dollars at the applicable closing daily rate of exchange published by the Bank of Canada as of the date the final judgment is reached, the amount of the settlement is agreed upon or any other element of **Loss** is due, respectively, or if not published on such date, the next date of publication by the Bank of Canada.

SUBROGATION

18. The **Underwriters** shall be subrogated to the extent of any payment under this Policy to each **Insured's** rights of recovery, and each **Insured** shall execute all papers reasonably required and shall do everything necessary to secure and preserve such rights and to enable the **Underwriters** to bring proceedings in the name of that **Insured**.

AUTHORIZATION CLAUSE

19. The **Policyholder** hereby agrees to act on behalf of all **Insureds** with respect to the giving and receiving of notice of **Claims** or termination, the payment of premiums and the receiving of any return premiums that may become due under this Policy, the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this Policy (except for the **Insureds'** ability to elect an Extended Reporting Period or give written notice of a **Claim** or circumstance that is likely to give rise to a **Claim**), and the **Insureds** agree that the **Policyholder** shall so act on their behalf.

ALTERATION AND ASSIGNMENT

20. By acceptance of this Policy, the **Insureds** agree that this Policy embodies all agreements existing between them and the **Underwriters** or any of their agents relating to this Policy. Notice to any agent or knowledge possessed by any agent or other person acting on behalf of the **Underwriters** shall not effect an assignment of interest, a waiver or a change in any part of this Policy or estop the **Underwriters** from asserting any right under the terms of this Policy, nor shall there be any assignment of interest, waiver or change of terms under this Policy except when made by written endorsement rider issued by the **Underwriters** to form a part of this Policy.

ACTION AGAINST THE UNDERWRITERS

21. No action shall lie against the **Underwriters** unless, as a condition precedent thereto, the **Insureds** shall have fully complied with all of the terms of this Policy, nor until the amount of the **Insureds'** obligation to pay shall have been fully and finally determined either by judgment against them or by written agreement between them, the Claimant and the **Underwriters**. Nothing contained herein shall give any person or organization any right to join the **Underwriters** as a party to any **Claim** against the **Insureds** to determine their liability, nor shall the **Underwriters** be impleaded by the **Insureds** or their legal representative in any **Claim**.

TERMINATION

22. Cover under this Policy shall terminate at the earliest of the following times:
- (a) 15 days after the receipt by the **Policyholder** of a written notice of termination from the **Underwriters** for non-payment of premium;
 - (b) expiration of the **Policy Period** (but expiration of the **Policy Period** shall not terminate cover under an obtained Extended Reporting Period);
 - (c) receipt by the **Underwriters** of written notice of termination from the **Policyholder**; or
 - (d) such other time as may be agreed upon by the **Underwriters** and the **Policyholder** in writing.

If, at the time of termination of cover under this Policy, no **Insured** has given notice of a **Claim**, or of circumstances which are likely to give rise to a **Claim**, the **Underwriters** shall refund the unearned premium:

- (i) computed at customary short rates, if cover under this Policy is terminated by the **Policyholder** ; or
- (ii) computed pro-rata, if cover under this Policy is terminated other than by the **Policyholder**.

TERMINATION OF PRIOR POLICIES

23. Any Policies issued by the **Underwriters** of which this Policy is a renewal or replacement shall terminate, if not already terminated, as of the inception date of this Policy.

POLICY INTERPRETATION

24. This Policy shall be interpreted and construed in accordance with the laws of the Canadian province in which this Policy was issued and subject to the exclusive jurisdiction of the courts within the territorial jurisdiction of Canada.

BANKRUPTCY

25. Bankruptcy or insolvency of any **Insured** shall not relieve the **Underwriters** of their obligations nor deprive the **Underwriters** of their rights or defences under this Policy.

SERVICE OF SUIT

26. It is agreed that in the event of the failure of the **Underwriters** to pay any amount **Claimed** to be due hereunder, the **Underwriters**, at the request of any person or entity **Insured** hereunder, will submit to the jurisdiction of any court of competent jurisdiction within the territorial jurisdiction of Canada and will comply with all requirements necessary to give such court jurisdiction. Nothing in this clause constitutes or should be understood to constitute a waiver of the **Underwriters'** rights to commence an action in any court of competent jurisdiction in the territorial jurisdiction of Canada, to remove an action commenced outside the territorial jurisdiction of Canada to a Canadian court, or to seek a transfer of an action commenced in one province or territory of Canada to a court in another province or territory as permitted by the laws of Canada or of any Canadian province. It is further agreed that in any suit instituted against the **Underwriters** they will abide by the final decision of such court or of any appellate court in the event of an appeal.

Key facts.

Non-profit organization and Charities highlights

Policy features

- Clear, concise insuring clause
- Limits of Liability –per Claim and aggregate
- Insurer duty to defend
- Pay on behalf with advancement of defence costs
- Final adjudication/personal exclusions
- Insured option to settle Claims within retention
- Automatic runoff coverage for past subsidiaries and outside directorships
- Notice of Claim or circumstances clearly defined
- Claims made during the Policy Period and reported as soon as practicable
- 60 days Claims reporting upon policy expiration
- Bi-lateral Discovery Period Extension
- Automatic ERP run-off upon acquisition of Policyholder
- No charge 6 year automatic ERP for Retired Insured Persons
- Non-cancellable except non-payment of premium
- No retention applicable in the event of financial impairment or indemnification restriction
- Full severability of all exclusions and application form
- Non-rescindable coverage
- Sanction Limitation Endorsement (NEW)
- Contagion Exclusion Endorsement (NEW)
- Cyber Incident Endorsement (NEW)

Coverage features

- Worldwide coverage
- 100% Defence Costs allocation
- Defence Costs Coverage carve-back under Personal Injury Exclusion for Bill 168 and Bill C-45
- Pollution Defence Costs Coverage automatic 50% of Limits up to \$1 Million
- Pending or Prior Litigation Date –Automatic prior inception date unless otherwise endorsed
- Blanket Non-Profit/Charities Outside Directorship Liability
- Employment Practices Liability coverage including whistle blower coverage
- Spousal and estates coverage
- Taxes and statutory liabilities coverage
- Order of payments provision
- Prior notice exclusion applies only to covered notices
- Defense costs for breach of contract Claims

- Punitive, exemplary or aggravated damages worldwide where insurable and pre/post judgment interest
- Broad Insured vs. Insured coverage including Claims arising from cross indemnity, employment practices, derivative and whistleblower, past directors and officers beyond 3 years
- 'For' Pollution exclusion and carve-back coverage for pollution defence costs up to \$1 Million
- 'For' BI/PD exclusion + coverage for employee Claims mental anguish/emotional distress
- 'For' pension/ERISA liability exclusion
- Softened hammer clause to 80% coverage
- No commissions exclusion
- No nuclear exclusion
- No terrorism exclusion
- No failure to maintain insurance exclusion

Definitions

- Broad definition of Claim including non-monetary or injunctive relief, criminal, administrative, regulatory, and arbitration proceedings
- Broad definition of Insured Persons including de facto directors, directors, officers, trustees, employees, volunteers and members of faculty

The above is for descriptive purposes intended only to provide a general overview of the insurance product.

This is not a contract and only the insurance policy issued by the coverholder on behalf of the underwriters provides actual limits of liability, terms, conditions, and exclusions which are subject to individual underwriting criteria.

Coverage is subject to conditions and exclusions described in the policy.

For complete terms and conditions, refer to the policy itself.



Risk Profile

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Management Liability Insurance

Applicant: **Canadian Association of Retired Teachers**
Address: 2448 Orient Park Dr,
Gloucester, ON K1B 4N1
Policy Period: From: October 7, 2021 To: October 7, 2022
12:01am Standard Time at the address of the Insured

This is the information provided to us, which enabled your policy terms and conditions to be calculated. For the purposes of this insurance, these are material facts that have been disclosed fully and truthfully and to the best of your knowledge and belief.

We recommend that you check this information for accuracy and let us know, within 14 days of inception/renewal, of any inaccuracies or changes required.

Where corrections or changes are required, we reserve the right to recalculate the policy terms and conditions accordingly. Failure to advise us of corrections or changes may make your policy voidable, or prejudice your rights in the event of a claim.



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Applicant's Revenue and Activities

Is the Applicant a Financial Institution?	No
Applicant's fees/revenue for their last complete financial year?	\$40,000
Which of the following best describes the Applicant's legal status?	Non-Profit Organization

Applicant's Operations

Has the Applicant been in operation for at least 12 months?	Yes
Does the Applicant operate in accordance with all legal and regulatory requirements relevant to their activities?	Yes
Does the Applicant have any of the following in the USA: <ul style="list-style-type: none">• Premises/Operations?• Subsidiaries?• Employees?	No
Does the Applicant provide a pension plan for their employees?	No
Is the Applicant a Condominium Corporation?	No

Non-Profit Organization

Is the Applicant insolvent or unable to meet their financial obligations as they fall due (including debt covenants or statutory obligations for taxes, pensions, benefits and wages)?	No
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Risk Profile

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Declaration

- Has the Applicant had any claims which would fall within the proposed insurance coverage within the last 5 years? **No**

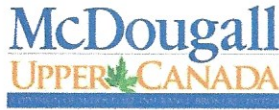
- Has any director, manager, partner or trustee of the Applicant or any person insured or proposed for insurance
 - i. been convicted, or charged but not yet tried, of any criminal offence other than a motoring offence?
 - ii. been declared bankrupt, gone into insolvent liquidation, or been the subject of receivership or an administration order?
- Is the Applicant aware of any fact or circumstance which could give rise to a claim against the Applicant or any of their present or former directors, managers, partner or trustees?
- To the knowledge of any director, manager, partner or trustee of the Applicant, has any company declined or terminated the insurance for the Applicant, any present director, manager, partner, trustee or for any predecessor in the business, past directors, managers, partners or trustees? **No**

By submitting this application you declare that the above statements and particulars are true and that you have not suppressed or misstated any material facts, and that you agree that this declaration shall be the basis of any binder or contract of insurance with the Insurer, and that the limits and deductibles as stated in the said binder or contract of insurance shall govern.

It is understood and agreed that the completion of this application does not bind the Insurer to the issue of the insurance nor the Applicant to the purchase of the insurance.

It is further understood and agreed that if, following submission of this application to the insurer and prior to the date requested for coverage to be effective, the Applicant becomes aware of any information which has a bearing with regards to this application, the Insurer shall be immediately notified in writing of such information.

Note: The policy does not cover any claim or circumstance stated above or any act, error, omission or circumstance which could give rise to a claim, of which the Applicant has knowledge prior to the inception of the policy.



PAYMENT DUE UPON RECEIPT

Please select one of the convenient Payment Options listed below:

- 1) **Insurance Company Monthly Payment Plans** : Available with most regular market insurance companies. Please feel free to call 613-650-1574 to discuss this option with your Account Manager.
- 2) **Credit Card Payment**: Please visit <https://www.mcdougallinsurance.com> and select "Make a payment" at the bottom of the page. **NOTE: A system generated fee of 3.5% will be added to the transaction.**
- 3) **Electronic Transfers** - Email your payment to: ePayment@uccig.com no other email will be accepted. A security question is not required. **NOTE: Always reference your Account # or Policy # in the memo box so your payment can be posted accurately by our accounting department.**
- 4) **Premium Financing Plans** offered through SNAP Premium Finance, First Insurance Funding, Merit Insurance Premium Financing and CAFO. Please feel free to ask your Account Manager for more information regarding this option
- 5) **Three Cheque Option** payable to McDougall UCC Insurance Brokers:
 - **1st Cheque**: 1/3rd of full premium plus \$2.00 service fee **dated the effective date of your policy.**
 - **2nd Cheque**: 1/3rd of full premium plus \$2.00 service fee **dated for 30 days later.**
 - **3rd Cheque**: 1/3rd of full premium plus \$2.00 service fee **dated for 60 days later.**
- 6) **Payment in Full** upon policy effective date via Cash, Cheque, Interac or Online Banking.

Online Banking Instructions



McDougall UCC Insurance Brokers
205-321 Concession St.
Kingston, ON, K7K 2B9
t. 613.650.1574
tf. 1.888.773.0076

Terrific Client
123 Anyplace Street
Kingston ON K7K 2B9

Add McDougall UCC as a payee from your institution's list of vendors.

Enter your 6 digit Account number.

Invoice

Account	123456
Policy	ABC 9876543
Invoice Date	0000001
Date	March 29, 2017
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Account Executive

Account Representative

PLEASE DETACH AND RETURN WITH PAYMENT

Insured's Name
Terrific Client

Policy Number
ABC 9876543

Policy Period
2017/03/29 - 2018/03/29

McDougall UCC's Insurance Broker's late fee charge is 1.5% monthly for overdue accounts.

Please feel free to contact us any time with any questions or for further details and thank you for your business.