

# COMMERCIAL GENERAL LIABILITY COVERAGE

## LEGAL EXPENSE EXTENSION

This Endorsement Changes the Policy. Please Read it Carefully.

Certain words and phrases in bold font have special meaning as defined below or in the form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Commercial General Liability Max Form and is subject to all terms, conditions, limitations and exclusions of such Form.

### 1. INSURING AGREEMENT

- 1.1. We will pay for **legal expenses** incurred by the Insured that arise from any complaint, disciplinary hearing or review instituted during the **policy period** under the provisions of any professional discipline legislation governing or regulating your **professional services**.
- 1.2. The complaint, disciplinary hearing or review must take place in the **coverage territory**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D** section.

### 2. LIMIT OF INSURANCE

- 2.1. The Limits of Insurance under this Endorsement shall be ninety percent (90%) of **legal expenses**, subject to a \$200 minimum retention by each Named Insured. This limit of liability is subject to a maximum hourly rate for lawyer's fees of \$200 and is subject to a maximum of \$10,000 per claim and an annual Aggregate Limit of Insurance of \$25,000 for each Named Insured.
  - 2.1.1. The each Claim Limit is the most we will pay for the sum of **legal expenses** under this Endorsement arising out of any one complaint, disciplinary hearing or review.
  - 2.1.2. Subject to clause 2.1.1. above, the Aggregate Limit is the most we will pay under this Endorsement during the **policy period** for the sum of **legal expenses** arising out of all complaints, disciplinary hearings or reviews.
- 2.2. The Limits of Insurance applicable to this Form apply separately to each consecutive **policy period** and to any remaining period of less than twelve (12) months, starting with the beginning of the **policy period** shown in the Declaration Page(s) unless the **policy period** is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### 3. EXCLUSIONS

This insurance does not apply to:

- 3.1. Any **legal expenses** incurred as a result of any deliberate violation or contravention by the Insured of any provision of, or order made under, any professional discipline legislation to which this Endorsement applies.
- 3.2. This insurance does not apply to **legal expenses** incurred in connection with any fact or circumstance known to the Insured prior to the effective date of this Policy (or of the initial policy issued by us if this Policy forms part of a continuous series of renewals).
- 3.3. Asbestos – see Common Exclusions.
- 3.4. Fungi or Spores – see Common Exclusions.
- 3.5. Nuclear Energy Liability – see Common Exclusions.
- 3.6. Pollution Liability – see Common Exclusions.
- 3.7. Terrorism – see Common Exclusions.
- 3.8. War Risks – see Common Exclusions.
- 3.9. Unsolicited Communication – see Common Exclusions.

### 4. SUPPLEMENTARY PAYMENTS

**SUPPLEMENTARY PAYMENTS - Coverage A, B and D** section in Commercial General Liability Max Form is extended to apply to this Extension.

### 5. AMENDED GENERAL CONDITIONS

It is agreed that paragraphs **1. NOTICE OF CLAIM OR SUIT, 2. ASSISTANCE AND COOPERATION AND 3. ASSUMPTION OF LIABILITY** under **SECTION V - GENERAL LIABILITY CONDITIONS** of the Commercial Policy Conditions and Statutory Conditions Form G021 are deleted and replaced by the following, but only with respect to the coverage provided under this Endorsement:

- 5.1. The Named Insured must see to it that the Insurer is notified promptly of any complaint that will result in any **legal expenses** covered by this extension. Notice should include:
  - 5.1.1. How, when and where the complaint, disciplinary hearing or review took place or will take place; and
  - 5.1.2. The names and addresses of any persons and of witnesses bring the complaint forward.
- 5.2. If a complaint, disciplinary hearing or review is brought against any Insured, the Named Insured must see to it that the Insurer receives prompt written notice of the complaint, disciplinary hearing or review.
- 5.3. The Named Insured and any other involved Insured must:
  - 5.3.1. Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with the complaint, disciplinary hearing or review;
  - 5.3.2. Authorize the Insurer to obtain records and other information;
  - 5.3.3. Cooperate with the Insurer in the investigation, settlement or defence of the complaint, disciplinary hearing or review; and

5.4. No Insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the Insurer's consent.

5.5. On conclusion of the review or hearing the Insured must forward within sixty (60) days to the Insurer copies of all relevant documents and proof of expenses.

## 6. DEFINITIONS

For the purpose of this Endorsement:

6.1. **Legal Expenses** means:

6.1.1. In the event a hearing or review covered by this Endorsement is actually instituted, lawyers fees arising from consultation prior to such hearing review;

6.1.2. Lawyers fees arising from a hearing or review covered by this Endorsement, but excluding the amount of such lawyers fees which relates to investigative services or the involvement of any expert witness; and

6.1.3. Lawyers fees arising from consultation as a result of any complaint covered under the provisions to the **INSURING AGREEMENT** of this Endorsement.

**All other terms and conditions of the Policy remain unchanged.**