

NOTICE TO INSURED

REPLACEMENT OF YOUR DIFFERENCE IN CONDITIONS AND DIFFERENCE IN LIMITS ENDORSEMENT WITH A NEW MULTINATIONAL PROGRAM – MASTER POLICY EXTENSION ENDORSEMENT

Hello,

At Intact Insurance we are committed to providing you and your business with exceptional customer service and insurance solutions.

We wish to inform you that we have replaced your previous Difference In Conditions and Difference In Limits endorsement with the new Multinational Program – Master Policy Extension endorsement, which is attached to your Property coverage forms, Equipment Breakdown coverage forms, or Property and Equipment Breakdown coverage forms.

Your new Multinational Program – Master Policy Extension endorsement includes enhancements such as:

- Direct payments which can now be made directly to any of your subsidiaries, where not prohibited.
- Warranty clause for non-program policies which now gives you 90 days to report a non-program policy.

In addition, other changes have been made to your policy. You will note that some of the definitions, as well as the wording of certain coverages, limitations and exclusions, have been revised or added.

Here is some information about the reductions in coverage that result from these changes:

- Under the Difference in Limits clause, we have added language indicating that any applicable waiting period specified under your local policy must be applied before the Difference in Conditions and Difference in Limits coverage can be provided to you.
- Under the Combined Limits clause, we have amended the wording to clarify that any payments made under any local policy, regardless of whether Difference in Conditions/Difference in Limits applies, will reduce the Limits of Insurance of your Canadian Policy (described as the Master Policy).
- We have added a Reimbursement to Insurer clause to clarify that, in the event of any excess amount paid out to you as a result of a combination of payments made under your Master Policy and any other local insurance policy, you must reimburse this excess amount to us within 30 days of being notified.
- We have added a Prohibited Insurance Exclusion to specify that we will not provide any coverage under your Master Policy if your Insured subsidiary cannot purchase local insurance coverage and limits similar to those included in your Master Policy, because the laws where your property is insured prohibits such insurance purchases.
- We have added a Government Program, Pool, and Scheme Exclusion to specify that your Master Policy excludes coverage for loss or damage that is covered under any government or national program, pool or scheme, and that your Master Policy shall only apply as excess of any amounts recoverable under such programs, pools or schemes.
- We have added an Additional Condition – Schedule of Local Policies clause to specify that, in order to benefit from the coverage provided under your Multinational Program – Master Policy Extension endorsement, your local insurance policies must be listed in the Schedule provided to us.
- We have added a new 'Coverage Territory' definition to specify that your coverage is extended to anywhere in the world, excluding any country or jurisdiction which is the subject of trade or economic sanctions imposed by any applicable laws or regulations, to the extent such sanctions limit or prohibit this insurance.

Please note: This letter is only a summary of the changes made to your coverage. Please refer to your insurance policy for full details of your coverage, including a full list of conditions and exclusions. If you have any questions about your policy or these changes, please contact your broker at .

Thank you for renewing your commercial insurance policy with Intact Insurance.

Sincerely,

The Intact Insurance Team