

AMENDMENT OF COVERAGE TERRITORY WORLDWIDE COVERAGE

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases in bold 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 applies to all coverages offered by this Policy.

1. It is agreed that the following condition is added to form 240.0e, General Conditions:

Expanded Coverage Territory

- 1.1. If an **action** is brought in a part of the **coverage territory** that is outside Canada and the United States of America (including its territories and possessions), and we are prevented by law, or otherwise, from defending the **Insured**, the **Insured** will initiate a defense of the **action**. We will reimburse the **Insured**, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of an **action** seeking **compensatory damages** to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the **Insured** becomes legally obligated to pay sums because of **compensatory damages** to which this insurance applies in a part of the **coverage territory** that is outside Canada and the United States of America (including its territories and possessions), and we are prevented by law, or otherwise, from paying such sums on the **Insured's** behalf, we will reimburse the **Insured** for such sums.

- 1.2. All payments or reimbursements we make for damages because of judgments or settlements will be made in Canadian currency at the prevailing exchange rate at the time the **Insured** became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in Canadian currency at the prevailing exchange rate at the time the expenses were incurred.
- 1.3. Any disputes between you and us as to whether there is coverage under this Policy must be filed in the courts of Canada or the United States of America.
- 1.4. The **Insured** must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.
- 1.5. Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

2. The following is added to paragraph 27.2., Excess Insurance (Occurrence Form), and paragraph 27.3. Excess Insurance (Claims-Made Form) contained under form 240.0e, General Conditions:

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- 2.1. if the **Insured's** liability to pay damages is determined in an action brought outside Canada and the United States of America (including its territories and possessions); or
- 2.2. that is coverage required by law, regulation or other governmental authority in a part of the coverage territory that is outside Canada or the United States of America (including its territories and possessions).

3. It is agreed that, the **Coverage territory** definition(s) contained under the **Definitions** section(s) of the Policy is(are) deleted and replaced by the following:

Coverage territory means any part of the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by Canada.

All other terms and conditions of the Policy remain unchanged.