

RSA CONVERSION ENDORSEMENT DIFFERENCE IN CONDITIONS, DEDUCTIBLE AMOUNTS AND LIMITS OF INSURANCE – EQUIPMENT BREAKDOWN ELITE

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases that appear 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 supersedes and replaces any other Difference in Conditions, Deductible Amounts and Limits of Insurance endorsement that has been attached to and that has formed part of this Policy or any policy issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies.

It is understood and agreed:

1. Except as provided under paragraph 2. below and notwithstanding any contrary provisions in this Policy, the coverage granted by this Policy shall not be more restrictive than the coverage within the policy issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies that was in force at the expiration of the immediately preceding policy term, subject to the following conditions:

- 1.1. **Difference in Coverage**

If the coverage provided and attached to the present Policy is more restrictive than the same coverage provided in the directly equivalent policy last issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies that was in force at the expiration of such preceding policy term, the latter shall take precedence;

- 1.2. **Difference in Deductible Amounts**

If the deductible amount applicable to one of the coverages attached to the present Policy is higher than the deductible amount applicable to the same coverage provided in the directly equivalent policy last issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies that was in force at the expiration of such preceding policy term, the latter shall take precedence;

- 1.3. **Difference in Limits of Insurance**

If a limit of insurance specified for a coverage included within the present Policy is lower than the limit of insurance specified for the same coverage provided in the directly equivalent policy last issued by the Royal & Sun Alliance Insurance Company of Canada and/or its affiliated companies that was in force at the expiration of such preceding policy term, the latter shall take precedence;

2. The coverage provided under this endorsement does not apply to:

- 2.1. amendments made to this Policy that are imposed by law;
 - 2.2. amendments made to this Policy at the request of the Insured;
 - 2.3. amendments made to this Policy for which a specific notice has been given to the Insured or broker;
 - 2.4. amendments made to this Policy as a result of renewal terms or mid term changes offered and accepted by the Insured;
 - 2.5. any coverages, exclusions or changes to coverages outlined in Section 4. **ADDITIONAL CONDITIONS** below.

3. The coverage provided under this endorsement shall be applicable for a period of twenty-four (24) consecutive months following the effective date of the first renewal to which this present Endorsement is attached. At expiration of this twenty-four (24) month period, this Endorsement shall be null and void.

4. **ADDITIONAL CONDITIONS**

- 4.1. **EXCLUSIONS ADDED TO THE INSURED'S NEW INTACT POLICY**

The following exclusions, which apply to current Intact customers, shall be added to the Insured's new Intact policy:

- 4.1.1. **Virus and Bacteria Exclusion**

This exclusion does not insure against loss or damage caused directly or indirectly, in whole or in part, by any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

- 4.1.2. **Cyber Incident Exclusion**

This exclusion does not insure against loss or damage caused directly or indirectly by a **cyber incident**.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

- 4.2. **CHANGES TO COVERAGES PREVIOUSLY AFFORDED UNDER THE INSURED'S EQUIPMENT BREAKDOWN COVERAGE POLICY**

The following changes shall be made to coverages previously afforded under the Insured's Equipment Breakdown Policy:

- 4.2.1. **No Coverage for Vandalism and Malicious Acts (only applicable to Insureds previously covered under Form(s) BM1 or BM2 – Comprehensive Machinery Insurance or Form 3001 – Equipment Breakdown Insurance)**

Under the new Intact Equipment Breakdown Elite Form, there is an exclusion that does not insure against loss or damage arising directly or indirectly from vandalism or malicious acts.

4.2.2. No Coverage for Refrigeration Equipment Including Compressors, Motors and Piping

Under the new Intact Equipment Breakdown Elite Form, if there is not an adequate supply of R22 or R142b refrigerant stored at the insured **Location** and/or locally available for use at the insured **Location** in order to complete a repair, such refrigeration equipment (including compressors, motors and piping) shall be considered as uninsured objects and no liability from the Insurer may exist for either direct or indirect damage.

5. DEFINITIONS

The following Definitions are added for the purposes of this Endorsement:

- 5.1. **Computer system** means any computer, hardware, media, electronic or digital **data**, software, communications or networking system, electronic device (including but not limited to smart phones, laptops, tablets, wearable devices), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, **data** storage device, networking equipment or back-up facility.
- 5.2. **Cyber incident** means:
 - 5.2.1. Unauthorized access to or use of any **computer system**;
 - 5.2.2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any **computer system** and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any **computer system** or otherwise disrupt its normal functioning or operation; or
 - 5.2.3. Denial of service attack which disrupts, prevents or restricts access to or use of any **computer system**, or otherwise disrupts its normal functioning or operation.
- 5.3. **Data** means representations of information or concepts, in any form.
- 5.4. **Insured** means the Insured Named on the Declaration Page(s).
- 5.5. **Insurer** means the Company or Companies providing this insurance.
- 5.6. **Location** means the premises owned by, leased by, controlled by or occupied by the **Insured** as reported to the **Insurer** prior to the inception date of this **Policy** or subsequently endorsed to this **Policy**.

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