

LIFE SCIENCES PROPERTY EXTENSION

This Endorsement Changes the Policy. Please Read It Carefully.

SUMMARY OF COVERAGE EXTENSIONS

SECTION 1 – EXTENSIONS INCLUDED IN THE AMOUNTS OF INSURANCE		
Item	Extension of Coverage	Limit
1.	Condemnation of Undamaged Stock	Included
2.	Business Interruption – New Product Delay	\$100 000

SECTION 2 – EXTENSIONS IN ADDITION TO THE AMOUNTS OF INSURANCE		
Item	Extension of Coverage	Limit
3.	Scientific Animals	\$10 000
4.	Scientific Animals In Transit and Off Premises	\$10 000
5.	Bio-Contamination	\$100 000
6.	Bio-Contamination – Business Interruption	Included in Bio-Contamination Limit
7.	Radioactive Contamination	\$100 000
8.	Radioactive Contamination – Business Interruption	Included in Radioactive Contamination Limit

SPECIAL PROVISIONS		
Item	Extension of Coverage	Limit
9.	Research and Development Property	Included

N.B. See the wording of each extension for full conditions of coverage.

PROPERTY AND BUSINESS INTERRUPTION COVERAGE ENHANCEMENTS

In the event that more than one Extension of coverage applies to the same property lost or damaged as a result of a single occurrence, only the Extension with the highest limit of insurance will apply. If for any Extension there is coverage more specifically provided for in the policy, then only the specific coverage shall apply.

Coverage for loss of income only applies if a Business Interruption Insurance Form is attached to this policy.

The following Extensions of coverage are not subject to a co-insurance requirement.

SECTION 1 – EXTENSIONS INCLUDED IN THE AMOUNTS OF INSURANCE

The following Extensions of Coverage shall not increase the amounts of insurance stated in the Declaration Page(s) for the Building, the Contents, the Property of every description and, where covered, the Business Interruption coverages and are subject to all conditions of this policy.

1. Condemnation of Undamaged Stock

This Insurance is extended to include the consequential loss to undamaged **stock** if such **stock**:

- 1.1. Has been condemned; or
- 1.2. Is subject of a written request to be withheld from the market;

by a government authority with jurisdiction over the operations due to direct physical loss of or direct physical damage to **stock** caused by or resulting from an insured peril.

2. Business Interruption – New Product Delay

Where a business interruption form is attached to this policy, coverage is extended for loss of business income due to a necessary interruption of the Insured operations at the **premises** resulting in a delay in the introduction of a new product or enhancement of an existing product if:

- 2.1. The new product or enhancement of an existing product has already been made available to the market; and
- 2.2. Loss of business income is discovered within the **indemnity period** of the business interruption insurance form; and

- 2.3. The necessary interruption is caused by direct physical loss of or direct physical damage to insured property, from an insured peril, that is directly related to the research and development of such products; and
- 2.4. The loss of business income does not exceed the Limit of Insurance shown in the Summary of Coverages in this Form.

Additional Conditions

- 2.5. Claim must be submitted within 90 days after discovery of the loss of Business Income.
- 2.6. **Indemnity period** for this extension is equal to the **indemnity period** of the business interruption insurance form.

Basis of Settlement

If a competitor introduces a similar product or enhancement prior to the date of the Insured's originally scheduled release date of the new product or enhancement, the amount payable under this Extension will be adjusted to the extent attributable to the competitor's product.

SECTION 2 – EXTENSIONS IN ADDITION TO THE AMOUNTS OF INSURANCE

The following Extension of Coverage apply in addition to the amounts of insurance stated in the Declaration Page(s) for the Building, the Contents, the Property of every description and where covered, the Business Interruption coverages, and are subject to all conditions of this policy.

3. Scientific Animals

This insurance is extended to cover direct physical loss of or direct physical damage to **scientific animals** used in **research and development operations** for an amount not to exceed the Limit of Insurance shown in the Summary of Coverage Extensions in this Form, caused by an insured peril.

This extension does not apply to loss or damage due to sickness, disease or death caused by or resulting from experimentation or testing, intentional or humane destruction or natural causes.

3.1. Basis of Valuation:

The value of the **scientific animals** coverage shall be determined as follows:

- 3.1.1. **Scientific animals** held for sale are valued at the regular cash selling price, less all discounts and charges to which **scientific animals** would have been subject prior to the loss.
- 3.1.2. **Scientific animals** not held for sale are valued at:
- 3.1.2.1. The cost incurred to purchase a replacement animal of the same kind and quality prior to any research and development expenses associated with that animal; and
- 3.1.2.2. Any increase in the animal's value as a result of the Insured's **research and development operations**; and
- 3.1.2.3. Any cost incurred to recreate any research and development project for which the **scientific animals** were or would have been used.

3.2. Additional Exclusions

The Extension does not apply to:

- 3.2.1. **Scientific animals** which are not restored or replaced; and
- 3.2.2. Any costs for research and development that is not recreated or continued.

3.3. Definitions

The following definition is to be applied to any of the Section 2 – Extensions in addition to the amounts of insurance:

Scientific animals means animals used, or to be used, for research and development or the production of drugs, medical devices, nutritional supplements, dietary supplements, or cosmetics.

4. Scientific Animals In Transit and Off Premises

Where a Limit of Insurance is shown on the Summary of Coverage for Item 3. Scientific Animals, this insurance is extended to cover direct physical loss of or direct physical damage to **scientific animals** by an insured peril, for an amount not to exceed the Limit of Insurance shown in the Summary of Coverage in this Form, while:

- 4.1. in transit in Canada or the continental United States; or
- 4.2. at a location not owned, rented or controlled in whole or in part by the Insured.

5. Bio-Contamination

Notwithstanding the Virus and Bacteria Exclusion Endorsement (E199) and exclusions 2.5.1.4. contamination and 2.18 Fungi and Spores exclusions in the Building and/or Content Broad Form (BF02), this Form is extended to cover direct physical loss of or direct physical damage to **building and contents** from **bio-contamination**, for an amount not to exceed the Limit of Insurance shown in the Summary of Coverages in this Form, when:

- 5.1. The **Bio-contamination** arises from **bio-contaminants** on **premises** for use in the Insured operations; and
- 5.2. The **Bio-contamination** is caused by an insured peril during the policy period.

This amount shall also include:

- 5.3. The cost to remove the **bio-contaminants**; and
- 5.4. The cost to remove and replace any part of the **building or contents** required to access the **bio-contaminants**; and
- 5.5. The cost of testing performed after repair, removal, replacement or restoration of lost or damaged property to confirm **bio-contaminants** are not present.

Definitions

- 5.6. **Bio-Contaminants** means biological agents or materials used in or resulting from operations involving living organisms such as fungi, bacteria, protozoa and viruses.
- 5.7. **Bio-Contamination** means sudden and accidental discharge, dispersal, seepage, release, migration or escape of **bio-contaminants**.

6. Bio-Contamination – Business Interruption

Where a Limit of Insurance is shown in the Summary of Coverages for Item 5. Bio-Contamination, this insurance is extended to cover loss of business income, not to exceed the Limit of insurance shown in the Summary of Coverages of this Form, resulting from direct physical loss or direct physical damage due to **bio-contamination**.

Coverage will only apply if there is a Business Interruption Form attached to this policy.

7. Radioactive Contamination

Notwithstanding exclusion 2.9.2 nuclear in the Building and/or Contents Broad Form (BF02), this insurance is extended to cover direct physical loss or direct physical damage by an insured peril, for an amount not to exceed the Limit of Insurance shown in the Summary of Coverages in this Form, for **radioactive contamination** arising from **radioactive contaminants** on **premises** for use in the Insured operations.

This amount shall also include:

- 7.1. The cost to remove **radioactive contaminants**; and

- 7.2. The cost to remove and replace any part of the **building or contents** required to access the **radioactive contaminants**; and
- 7.3. The cost of testing performed after repair, removal, replacement or restoration of lost or damaged property to confirm **radioactive contaminants** are not present.

Additional Exclusions

This Extension does not apply to loss or damage if:

- 7.4. The **premises** contains a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction; or
- 7.5. The **premises** contains any new or used nuclear fuel intended for or used in a nuclear reactor; or
- 7.6. The **radioactive contamination** arises from radioactive material not located on the **premises**.

Definitions

- 7.7. **Radioactive contaminants** means radioactive materials, such as radioactive gases, liquids or particles, in unregulated dispersion in a place where they may harm persons or property.
- 7.8. **Radioactive contamination** means direct physical loss of or direct physical damage to the described property by sudden and accidental radioactive contamination, including resultant damage.

8. Radioactive Contamination – Business Interruption

Where a Limit of Insurance is shown in the Summary of Coverages for Item 7. Radioactive Contamination Property Extension, this insurance is extended to cover loss of business income, not to exceed the Limit of insurance shown in the Summary of Coverages of this Form, resulting from direct physical loss or direct physical damage due to **radioactive contamination**.

Coverage will only apply if there is a Business Interruption Form attached to this policy.

SPECIAL PROVISIONS

9. Research and Development Property

Paragraph 9.15 **Research and development property** of Clause 9. Definitions of the Property Technology Enhancement (E6105) is deleted and replaced by the following:

- 9.15. **Research and development property** means:
- 9.15.1. **prototypes** and enhancements to existing products that are under development; and
 - 9.15.2. inscribed, printed or recorded **research and development documents**;
 - 9.15.3. processes or cultures, and resulting products or other materials produced by these processes or cultures; if they are directly associated with the Insured's **research and development operations**.
 - 9.15.4. **Research and development property** does not include accounts receivable, animals including **scientific animals**, **electronic data** or **research and development property** which exists as **electronic data**, **data processing equipment**, **active data processing media**, **fine arts**, **money**, **securities**, **stock** or **valuable papers and records**.

All other terms and conditions of the Policy remain unchanged.