

MEDICAL TECHNOLOGY SOLUTIONS

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THIS POLICY CONTAINS CLAIMS-MADE COVERAGE. EXCEPT TO THE EXTENT THE INSURANCE LAWS OF THE PROVINCE OF QUEBEC APPLY, DEFENCE EXPENSES ARE PAYABLE WITHIN THE LIMITS OF INSURANCE AND PAYMENT OF DEFENCE EXPENSES REDUCES AND MAY EXHAUST THE LIMITS OF INSURANCE. PLEASE READ THE ENTIRE FORM CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE.

ITEMS ON DECLARATION PAGES MAY BE MODIFIED BY ENDORSEMENT. READ YOUR ENTIRE POLICY.

COVERAGE UNDER THIS POLICY IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH A LIMIT OF INSURANCE APPEARS ON THE DECLARATION PAGES. IF NO LIMIT OF INSURANCE IS SHOWN FOR A COVERAGE, SUCH COVERAGE IS NOT PROVIDED BY THIS POLICY. THE MAXIMUM POLICY AGGREGATE LIMIT OF INSURANCE SHOWN IN THE DECLARATION PAGES IS THE MOST THE INSURER WILL PAY REGARDLESS OF THE NUMBER OF COVERAGES PURCHASED.

Throughout this policy the words "you" and "your" refer to the First Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The word "insured" means any person or organization qualifying as such under **SECTION III – WHO IS AN INSURED**. The words "we," "us" and "our" refer to the company providing this insurance. Other words and phrases that appear in **bold**, other than headings, have special meaning. Refer to **SECTION VII – DEFINITIONS**.

SECTION I – COVERAGES

A Liability Coverage or First-Party Coverage applies only if a Limit of Insurance for such is shown in the Declarations. The amount we will pay for **damages, defence expenses, privacy regulatory fines, consumer redress funds, foreign jurisdiction expenses, medical expenses** and **first-party loss** is limited as described in **SECTION IV – LIMITS OF INSURANCE**. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for in the Coverages below or under Paragraphs **G. DEFENCE AND SETTLEMENT** and **U. SUPPLEMENTARY PAYMENTS – LIABILITY COVERAGES** of **SECTION VIII – CONDITIONS**.

A. LIABILITY COVERAGES

1. Errors or Omissions – Your Product and Your Work

We will pay those sums that the insured becomes legally obligated to pay as **damages** because of an **error or omission** to which this insurance applies if the **error or omission** was committed in the Coverage Territory, on or after the Retroactive Date and before the end of the Policy Period shown in the Declarations.

2. Information Risk

We will pay those sums that the insured becomes legally obligated to pay as **damages** because of an **information risk incident** to which this insurance applies if the **information risk incident** was committed within the Coverage Territory, on or after the Retroactive Date and before the end of the Policy Period shown in the Declarations.

3. Communication

We will pay those sums that the insured becomes legally obligated to pay as **damages** because of a **communication incident** to which this insurance applies if the **communication incident** was committed within the Coverage Territory, on or after the Retroactive Date and before the end of the Policy Period shown in the Declarations.

4. Privacy Regulatory Proceeding – Fines and Consumer Redress

We will pay those sums that the insured becomes legally obligated to pay as:

- a. **Privacy regulatory fines**; and
- b. **Consumer redress funds**;

because of a **privacy regulatory proceeding** to which this insurance applies if the violation of a **privacy regulation** was committed within the Coverage Territory, on or after the Retroactive Date and before the end of the Policy Period shown in the Declarations.

5. Products-Completed Operations Hazard – Including Foreign Jurisdiction Expenses

We will pay those sums that the insured:

- a. Becomes legally obligated to pay as **damages** because of **bodily injury** or **property damage** to which this insurance applies; or
- b. Pays as **foreign jurisdiction expenses** because of **bodily injury** to which this insurance applies to a **foreign jurisdiction clinical trial** participant;

if the **bodily injury** or **property damage** is included within the **products-completed operations hazard** and was caused by an **incident** that took place in the Coverage Territory, on or after the Retroactive Date and before the end of the Policy Period shown in the Declarations.

6. Clinical Trial Medical Expenses

We will pay, regardless of fault, **medical expenses** for **bodily injury** to a **clinical trial** participant caused by an accident arising out of participation in the **clinical trial** if:

- a. The accident takes place in the Coverage Territory and during the Policy Period shown in the Declarations;
- b. The **medical expenses** are incurred and reported to us within one year of the date of the accident;
- c. The injured **clinical trial** participant submits to examination, at our expense, by health care professionals of our choice as often as we reasonably require; and
- d. The **bodily injury** is not otherwise excluded under this policy.

Liability Coverages only apply to **claims, privacy regulatory proceedings** or **foreign jurisdiction demands** that are reported to us as required by **SECTION VIII – CONDITIONS**, Paragraph **I. DUTIES IN THE EVENT OF A CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES**, and first brought or made against the insured during the Policy Period shown in the Declarations or during any applicable Extended Reporting Period, and in accordance with Paragraph **X. WHEN A CLAIM, PROCEEDING OR DEMAND IS MADE – LIABILITY COVERAGES** of **SECTION VIII – CONDITIONS**. All **related claims, proceedings or demands** are deemed first made or brought as set forth in Paragraph **1.** of Paragraph **J. DUTIES IN THE EVENT OF A POTENTIAL CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES** or Paragraph **P. RELATED CLAIMS, PROCEEDINGS OR DEMANDS – LIABILITY COVERAGES** of **SECTION VIII – CONDITIONS**.

If we defend a **claim, privacy regulatory proceeding** or **foreign jurisdiction demand**, we will also pay the **defence expenses** for such **claim, privacy regulatory proceeding** or **foreign jurisdiction demand**.

B. FIRST-PARTY COVERAGES

1. Incident Management Expense

We will pay **incident management expense** incurred through a **designated vendor** by or on behalf of the insured because of an **information risk incident** or **extortion**.

2. Information Restoration Expense

We will pay **information restoration expense** incurred through a **designated vendor** by or on behalf of the insured because of an **information risk incident**.

3. Hardware Replacement Expense

We will pay **hardware replacement expense** to the insured for seizure or destruction of hardware by a civil authority of the federal, state, provincial or territorial government because of an **information risk incident**.

4. Extortion Payments

We will pay **extortion payments** incurred through a **designated vendor** by or on behalf of the insured because of **extortion**.

5. Forensic Expense

We will pay **forensic expense** incurred through a **designated vendor** by or on behalf of the insured because of an **information risk incident**.

6. Net Business Income Loss and Extra Expense

We will pay for the actual **net business income loss** and **extra expense** you sustain during the **period of restoration** because of a **network disruption**.

7. Withdrawal Expense

We will pay **withdrawal expense** incurred by or on behalf of the insured because of a **covered recall**.

8. Crisis Management Expense

We will pay **crisis management expense** incurred through a **designated vendor** by or on behalf of the insured because of a **crisis management event**.

9. Mitigation and Medical Monitoring Expense

We will pay **mitigation expense** and **medical monitoring expense** incurred by or on behalf of the insured because of a **circumstance** first discovered during the Policy Period, but only if:

- a. You give us written notice of the **circumstance** during the Policy Period in accordance with Paragraph **J. DUTIES IN THE EVENT OF A POTENTIAL CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES** and Paragraph **H. DUTIES IN THE EVENT OF A FIRST-PARTY INCIDENT – FIRST-PARTY COVERAGES** of **SECTION VIII – CONDITIONS**;
- b. You give us notice of any anticipated **mitigation expense** and **medical monitoring expense** before any amounts are incurred;
- c. We provide written approval of any **mitigation expense** and **medical monitoring expense** before it is incurred by or on behalf of the insured; and
- d. For **mitigation expense**, the **circumstance** involves:
 - (1) An **error or omission** to which this insurance applies, if a Limit of Insurance is shown in the Declarations for Liability Coverage **1** Errors or Omissions, that arises out of:
 - (a) Providing products or performing manufacturing-related services under a written contract or agreement; or
 - (b) Performing services under a written contract or agreement, including organizing or running a **clinical trial**.
 - (2) **Bodily injury** or **property damage** to which this insurance applies that is included within the **products-completed operations hazard**, if a Limit of Insurance is shown in the Declarations for Liability Coverage **5** Products-Completed Operations Hazard.
- e. For **medical monitoring expense**, the **circumstance** involves potential **bodily injury** to which this insurance applies that would be included within the **products-completed operations hazard**, if a Limit of Insurance is shown in the Declarations for Liability Coverage **5** Products-Completed Operations Hazard.

First-Party Coverages only apply to **first-party incidents** that take place in the Coverage Territory, are first discovered during the Policy Period shown in the Declarations and are reported to us as required by **SECTION VIII – CONDITIONS H. DUTIES IN THE EVENT OF A FIRST-PARTY INCIDENT – FIRST-PARTY COVERAGES**. All **related first-party incidents** are deemed first discovered when the earliest **first-party incident** in such **related first-party incidents** is discovered.

SECTION II – EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO ALL COVERAGES

This insurance does not apply to:

1. Abuse or Molestation

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** arising out of or in any way involving the actual or threatened abuse or molestation by anyone of any person. This exclusion applies regardless of whether the abuse or molestation is alleged to result from the negligent employment, investigation, supervision, reporting or failure to report to the authorities or retention of a person who has engaged in actual or threatened abuse or molestation.

2. Aircraft or Satellite

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** arising out of or in any way involving any aircraft or **satellite**, including any of **your product or your work** incorporated in, or used in connection with, aircraft, airports, **satellites** or **satellite** stations.

3. Asbestos Liability

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** arising out of or in any way involving asbestos, including asbestos fiber or any product or material containing asbestos.

4. Contractual or Assumed Liability

Damages by reason of the assumption of liability in a contract or agreement that was made after the **error or omission, information risk incident, communication incident, bodily injury, property damage** or violation of a **privacy regulation** was committed.

This exclusion does not apply if the insured:

- a. Would have been liable for those **damages** in the absence of the contract or agreement; or
- b. Assumed liability for **bodily injury** or **property damage** in an **insured contract** and the **bodily injury** or **property damage** occurs after the execution of the contract or agreement. Solely for the purposes of liability assumed in an **insured contract**, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured will be deemed **defence expenses** because of **bodily injury** or **property damage** if:
 - (1) Liability to the party for, or for the cost of, that party's defence has also been assumed in the same **insured contract**; and
 - (2) The attorney fees and litigation expenses are for defence of that party against a civil or alternative dispute resolution proceeding seeking **damages** to which this insurance applies.

5. Conversion of Funds

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** arising out of or in any way involving any actual or alleged:

- a. Gaining of personal profit or advantage to which an insured is not legally entitled; or
- b. Conversion, commingling, defalcation, misappropriation or improper use of funds or other property.

6. Cost Guarantees or Estimates

Costs, expenses, charges or fees that:

- a. Exceed an insured's or an agent's guarantees or estimates; or
- b. Are misrepresented, not accurately described in an insured's contract or agreement or not accurately calculated.

7. Costs to Comply with Warranties or for Recall, Removal or Withdrawal

Any loss, cost or expense incurred by you or others:

- a. To comply with any warranty for **your product** or **your work**;
- b. To provide, complete, correct, repair, replace, reproduce, reprint, restore, upgrade, supplement or otherwise improve **your product, your work** or **impaired property**;
- c. For the recall, removal or withdrawal of **your product, your work** or **impaired property** from the market or from use by any person or organization for any reason; or
- d. For the adjustment, inspection or disposal of **your product, your work** or **impaired property**.

This exclusion does not apply to covered **withdrawal expense**.

Paragraphs c. and d. of this exclusion do not apply to **bodily injury** resulting from the explanation of **your product**.

Solely with respect to Liability Coverage 1, this exclusion does not apply to a covered **claim** by a third party for **damages** because of a covered **error or omission**.

Solely with respect to First-Party Coverage 9, this exclusion does not apply to covered **mitigation expense**.

8. Fines and Penalties

Fines, penalties, taxes, sanctions or assessments other than covered **privacy regulatory fines** or **consumer redress funds**.

9. Force Majeure

Loss, however caused, arising out of or in any way involving fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail or act of God.

10. Government Actions

Any **claim** made or brought by or on behalf of any governmental agency or authority for any administrative, judicial or regulatory action except:

- a. A **claim** made or brought by or on behalf of the agency or authority in its capacity as your customer other than any actual or alleged violation of the *Financial Administration Act* (Canada), R.C.S., 1985, c. F-11 or sections 121 (Frauds on the government), 380 (Fraud), and 418 (Selling defective stores to Her Majesty) of the Canadian *Criminal Code* (R.S.C., 1985, c. C-46), including any amendment of or addition to such law, or any similar laws, statutes, ordinances or regulations; or
- b. A covered **privacy regulatory proceeding** or covered **privacy regulatory fines** or **consumer redress funds**.

This exclusion does not apply to covered **hardware replacement expense**.

11. Health Care Professional Services

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** for:

- a. Handling or treatment of dead bodies, including autopsies, organ donation or other procedures; or
- b. Rendering or failure to render medical, surgical, dental, x-ray, mental, diagnostic laboratory, nursing or other health care professional services, including furnishing food or beverages or dispensing drugs, medical or dental supplies or appliances related to those services.

This exclusion does not apply to **bodily injury** or **property damage** arising out of the rendering or failure to render first aid by an **employee** or **volunteer worker**.

Paragraph b. of this exclusion does not apply to a **claim** alleging negligent employment, investigation, supervision or retention of a person who has engaged in rendering or failure to render those services described in Paragraph b. in a **clinical trial**.

12. Infringement of Intellectual Property Rights or Laws

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party loss** arising out of or in any way involving any actual or alleged misuse, infringement, inducement to infringe or other misuse or violation of:

- a. A patent or trade secret, including any part of a **claim** or **privacy regulatory proceeding** that would otherwise be covered by this policy.
- b. Any of the following rights, laws, regulations or by-laws:
 - (1) Copyright;
 - (2) Trademark;
 - (3) Trade name;
 - (4) Service mark;
 - (5) Service name;
 - (6) Trade dress;
 - (7) Likeness; or
 - (8) Other intellectual property rights, laws, regulations or by-laws.

Paragraph a. of this exclusion does not apply to a covered **claim** for a covered **information risk incident** involving the misappropriation, misuse, gaining or taking of a confidential and proprietary business trade secret of others with whom you have entered into a written contract or agreement.

Paragraph b. of this exclusion does not apply to a covered **claim** for a covered **communication incident**.

13. Insured's Economic Loss

An insured's economic loss, including but not limited to loss of purchase or sale price, income, profits, share value, goodwill or damage to reputation.

Solely with respect to First Party Coverage 6, this exclusion does not apply to covered **net business income loss** and **extra expense**.

14. Insured Versus Insured

Any **claim** made or brought by or on behalf of:

- a. Any insured;
- b. Any business entity or venture at any time owned, controlled, managed or operated by any insured; or
- c. Any parent, affiliate, subsidiary, predecessor, successor or assignee of any:
 - (1) Insured; or
 - (2) Entity or venture at any time owned, controlled, managed or operated by any insured.

This exclusion does not apply to a covered **claim** for a covered **information risk incident** involving the **personally identifiable information** of an **employee**, former **employee** or any member of a current or former **employee's** immediate family.

15. Intentional Act

Any intentional, dishonest, fraudulent, malicious or criminal act or omission by any insured.

This exclusion does not apply:

- a. Unless an admission, final adjudication, arbitration, finding of fact, judgment or plea, including a plea of no contest or *nolo contendere*, establishes that such intentional, dishonest, fraudulent, malicious or criminal act or omission was committed by the insured.
- b. To an insured that did not participate in or know about the intentional, dishonest, fraudulent, malicious or criminal act or omission unless such act or omission was committed with your consent or knowledge or the consent or knowledge of any member of the **control group**.

16. Nuclear

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, foreign jurisdiction expenses or first-party loss** arising out of or in any way involving:

- a. The hazardous properties of nuclear material;
- b. The furnishing by an insured of services, products, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; or
- c. Liability imposed by or arising under the *Nuclear Liability and Compensation Act*, S.C. 2015, c. 4, s. 120, or any law amendatory thereof

This exclusion does not apply to equipment or devices used for processing, fabricating or alloying nuclear material if at any time the total amount of nuclear material in any insured's custody at the premises where the equipment or device is located consists of or contains 25 grams or less of plutonium, uranium 233 or any combinations thereof or 250 grams or less of uranium 235.

17. Pension and Benefit Law

Any actual or alleged violation of the responsibilities, duties or obligations imposed by:

- a. The *Pension Benefits Standards Act*, R.S.C., 1985 c.32. (2nd supp.), the *Income Tax Act*, R.S.C., 1985 c.1 (5th supp.), including any rules, regulations or amendments thereunder and any of the same or similar provisions of any province or territory;
- b. The *Employee Retirement Income Security Act of 1974* (of the United States of America), including any rules, regulations or amendments thereunder including amendments relating to the *Consolidated Omnibus Budget Reconciliation Act of 1985* and the *Health Insurance Portability and Accountability Act of 1996*;
- c. Any similar Canadian or foreign legislation related to employee benefit.

18. Personal and Advertising Injury

Injury, including consequential **bodily injury**, arising out of or in any way involving one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, product or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your **advertisement**; or
- g. Infringing upon another's copyright, trade dress or slogan in your **advertisement**.

Paragraph d. of this exclusion does not apply to the extent the offense constitutes a covered **communication incident**.

Paragraph e. of this exclusion does not apply to the extent the offense constitutes a covered **communication incident** or a covered **information loss**.

19. Pollution

- a. Actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**.
- b. Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses or first-party loss** arising out of or in any way involving:
 - (1) A request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
 - (2) Any alternative dispute resolution, arbitration, demand, investigation or other proceeding by or on behalf of a governmental agency or authority for **damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

Solely with respect to Liability Coverage 5, this exclusion does not apply to a covered **claim** for **bodily injury** arising out of **your product**. Solely with respect to Liability Coverage 6, this exclusion does not apply to covered **medical expenses** for **bodily injury** arising out of **your product**.

20. Prior Knowledge and Pending Matters

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, error or omission, information risk incident, communication incident, bodily injury, property damage, incident, violation of a privacy regulation or first-party loss**:

- a. Arising out of or in any way involving any:
 - (1) **Circumstance or first-party incident** that you or the **control group** knew about or reasonably should have known about before the first date we or one of our affiliates have continuously provided this or similar coverage to you; or
 - (2) **Related circumstances or related first-party incidents** involving any **circumstance or first-party incident** described in a.(1) above;
- b. Arising out of or in any way involving any alternative dispute resolution, arbitration, demand, investigation, litigation or other proceeding that occurred before or is pending as of the policy inception date or which was the subject of any notice given and accepted under any policy of which this Coverage Form is a direct or indirect renewal or replacement;
- c. Previously reported to any other insurer, including any **related circumstances, related first-party incidents or related claims, proceedings or demands**; or
- d. That is part of any **related claims, proceedings or demands** brought or made in a policy period preceding this policy.

21. Prize Redemption

- a. Actual or attempted redemption or over-redemption of tickets, coupons, prizes or other goods or property in any contest, lottery, sweepstakes, promotion or game of chance; or
- b. Actual or alleged violation of any laws regulating these activities.

22. Professional Services

Providing or failing to provide professional services by or on behalf of the insured for others while acting or working as any of the following:

- a. Actuary;
- b. Accountant;

- c. Lawyer;
- d. Broker, dealer or other financial services representative;
- e. Civil or structural engineer or architect;
- f. Insurance or real estate agent;
- g. Investment banker;
- h. Merger and acquisition professional;
- i. Venture capitalist; or
- j. Notary.

23. Recording and Distribution of Material or Information in Violation of Law

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses or first-party loss** arising out of or in any way involving any act or omission that violates or is alleged to violate:

- a. The Canadian Radio-television and Telecommunications Commission (CRTC) *Unsolicited Telecommunications Rules, the Canadian Anti-Spam Act*, (S.C. 2010 c. 23), the *Consumer Reporting Act* (Ontario) , R.S.O. 1990, c. C.33, and other similar federal, provincial, territorial laws, the *Consumer Protection Act* (Ontario) , 2002, S.O. 2002, c. 30 Schedule A, and other similar federal, provincial, territorial laws, including any amendment of or addition to such laws, and any similar laws, statutes, ordinances, by-laws, regulations; or
- b. Any other federal, state, provincial, territorial, municipal, local or foreign law, statute, by-law or regulation that addresses, prohibits or limits the printing, dissemination, disposal, collection, recording, sending, transmitting, communication or distribution of material or information, including but not limited to any law, statute, ordinance, by-law or regulation regarding **collection responsibilities**.

Solely with respect to coverage under Liability Coverage 2, Paragraph b. of this exclusion does not apply to a covered **claim** for the actual or alleged violation of a **privacy regulation** applying to an **information loss** involving **personally identifiable information**.

Solely with respect to coverage under Liability Coverage 4, Paragraph b. of this exclusion does not apply to a covered **privacy regulatory proceeding** for the actual or alleged violation of a **privacy regulation**.

24. Unfavorable Business Conditions

Net business income loss or extra expense arising out of or in any way involving unfavorable business conditions.

25. Violation of Consumer Protection, Unfair Competition and Unfair Trade Practices Laws

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses or first-party loss** arising out of or in any way involving any actual or alleged:

- a. Statutory, civil or common law unfair competition including antitrust statutes or laws;
- b. Tortious or intentional interference with contract, business relations or prospective economic advantage;
- c. Violation of any law addressing consumer protection; or
- d. Violation of any law addressing trade practices or anti-deceptive practices, statutes, legislations prohibiting false advertising, including the *Trademarks Act*, (R.S.C., 1985, c. T-13) or any federal, state, provincial, territorial or statutes laws, regulations or by-laws prohibiting unfair business practices.

Solely with respect to coverage under Liability Coverage 2, Paragraphs c. and d. of this exclusion do not apply to a covered **claim** for the actual or alleged violation of a **privacy regulation** applying to an **information loss** involving **personally identifiable information**.

Solely with respect to coverage under Liability Coverage 4, Paragraphs c. and d. of this exclusion do not apply to a covered **privacy regulatory proceeding** for the actual or alleged violation of a **privacy regulation**.

26. Violation of Securities Laws

Actual or alleged violation or breach of any law relating to the offer, sale, purchase, trading or valuation of securities or relating to a failure to disclose cyber events and cyber risks in securities filings.

27. War, State-Sponsored Activity, Hostile Cyber Activity, Economic Sanctions

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses or first-party loss** arising out of or in any way involving any means, methods or techniques of engaging in:

- a. War, including cyber warfare, hybrid warfare, undeclared war or civil war;
- b. Warlike action, including action in hindering or defending against an actual or expected attack, either directly or indirectly performed, ordered or sponsored by any: (a) government, sovereign or other authority; (b) agent, branch, subdivision or entity of any government, sovereign or other authority; or (c) other person or organization acting on behalf of any government, sovereign or other authority;
- c. Espionage, illegal activity or vandalism either directly or indirectly performed, ordered or sponsored by any: (a) government, sovereign or other authority; (b) agent, branch, subdivision or entity of any government, sovereign or other authority; or (c) other person or organization acting on behalf of any government, sovereign or other authority;
- d. **Hostile cyber activity** either directly or indirectly performed, ordered or sponsored by any: (a) government, sovereign or other authority; (b) agent, branch, subdivision or entity of any government, sovereign or other authority; or (c) other person or organization acting on behalf of any government, sovereign or other authority;
- e. Economic sanctions by any: (a) government, sovereign or other authority; (b) agent, branch, subdivision or entity of any government, sovereign or other authority; or (c) other person or organization acting on behalf of any government, sovereign or other authority; or
- f. Insurrection, rebellion, revolution or usurped power;

including but not limited to means, methods or techniques that: (a) are physical, kinetic, cyber or economic; (b) are offensive or defensive; or (c) impact a government, sovereign or other authority, or impact individual persons, individual organizations or any group(s) of persons or organizations.

Such **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses or first-party loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses or first-party loss**.

For purposes of this exclusion, **hostile cyber activity** means any actual or attempted:

- 1. Access or use of any computer, computer system or network by unauthorized persons or organizations (including access or use by persons or organizations in a manner that exceeds their authority), regardless of whether such access affects the functionality of such computer, system or network or alters, deletes corrupts or denies access to any data stored therein; or
- 2. Operations directed at any computer, computer system or network to:
 - a. Alter, delete, corrupt or deny access to any computer, computer system or network or to any data stored therein;
 - b. Partially or totally disrupt or disable the functioning of any computer, computer system or network or any related physical infrastructure; or

c. Cause:

- (1) **Bodily injury**;
- (2) Physical injury to tangible property; or
- (3) Loss of use of tangible property regardless of whether such property is physically injured; outside of any computer, computer system or network.

28. Wrongful Employment Practice, Discrimination or Harassment

Any actual or alleged employment practice, discrimination, humiliation, harassment or misconduct, including any **claim** based upon an individual's race, colour, age, gender, national origin, religion, physical or mental disability or condition, marital status or sexual orientation.

B. EXCLUSIONS APPLICABLE TO LIABILITY COVERAGES 1 ERRORS OR OMISSIONS, 2 INFORMATION RISK, 3 COMMUNICATION AND 4 PRIVACY REGULATORY PROCEEDING AND FIRST-PARTY COVERAGES

In addition to the applicable exclusions in **A. EXCLUSIONS APPLICABLE TO ALL COVERAGES**, Liability Coverages 1 Errors or Omissions, 2 Information Risk, 3 Communication and 4 Privacy Regulatory Proceeding and the First-Party Coverages do not apply to:

1. Bodily Injury or Property Damage

- a. **Bodily injury**, pain and suffering, shock or mental or emotional distress, anguish or injury; or
- b. Physical injury to tangible property, including all resulting loss of use of that property. Tangible property does not include data or other information that is in electronic form.

Paragraph a. of this exclusion does not apply to mental or emotional illness, anguish, injury or distress sustained by an individual because of a covered **information loss** of **personally identifiable information**.

Solely with respect to First-Party Coverage 3, Paragraph b. of this exclusion does not apply to covered **hardware replacement expense**.

2. Critical Infrastructure

Any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses or first-party loss** arising out of or in any way involving any actual or alleged interruption, disturbance, corruption, impairment, outage, surge, brownout, blackout, malfunction, defect or failure of any **critical infrastructure**.

This exclusion does not apply if such **critical infrastructure** was exclusively and entirely under the direct operational control of an insured at the time of such interruption, disturbance, corruption, impairment, outage, surge, brownout, blackout, malfunction, defect or failure.

For purposes of this exclusion, **critical infrastructure** means any of the following:

- a. Power, gas, fuel, energy, water or other utilities;
- b. Satellite systems or services;
- c. Telephone, telecommunications, fiber optics, wireless communications or other communications systems or services;
- d. The Internet's Domain Name System (DNS), Border Gateway Protocol (BGP), certificate authorities or root certificates;
- e. Financial transaction or payment processing platforms (including but not limited to any securities exchange); or
- f. Any infrastructure, facilities, lines or equipment used for, or by, any of the above.

C. ADDITIONAL EXCLUSIONS APPLICABLE TO LIABILITY COVERAGE 5 PRODUCTS-COMPLETED OPERATIONS HAZARD

In addition to the applicable exclusions in **A. EXCLUSIONS APPLICABLE TO ALL COVERAGES**, Liability Coverage 5 Products-Completed Operations Hazard does not apply to:

1. Damage to Impaired Property or Property Not Physically Injured

Property damage to impaired property or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

2. Damage to Property

Property damage to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of the property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises;
- c. Property loaned to you; or
- d. Personal property in the care, custody or control of the insured.

3. Damage to Your Product

Property damage to your product arising out of it or any part of it.

4. Damage to Your Work

Property damage to your work arising out of it or any part of it and included in the **products-completed operations hazard**.

This exclusion does not apply if the damaged work or the work out of which the damage arises were performed on your behalf by a subcontractor.

5. Employer's Liability

Bodily injury to:

- a. An **employee** or **volunteer worker** of any insured arising out of and in the course of:
 - (1) Employment by the insured; or
 - (2) Performing duties related to the conduct of the insured's business; or
- b. The spouse, common-law partner, child, parent, brother or sister of that **employee** or **volunteer worker** as a consequence of Paragraph a. above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury.

This exclusion does not apply to liability assumed by the insured under an **insured contract**.

6. Expected or Intended Injury

Bodily injury or property damage expected or intended from the standpoint of the insured. The disclosure of potential side effects, adverse reactions, contraindications, warnings or precautions in **clinical trial** protocols, **clinical trial** consent forms, product packaging or product labeling will not be deemed evidence that the insured expected or intended any **bodily injury or property damage**.

7. Liquor Liability

Bodily injury or property damage arising out of or in any way involving:

- a. Causing or contributing to the intoxication of any person;
 - b. Furnishing alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
 - c. Any statute, ordinance, by-law or regulation relating to the sale, gift, distribution or use of alcoholic beverages;
- if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

8. Unapproved Products

Bodily injury or property damage arising out of **your product** or **your work** that an insured manufactured, sold, disposed of, distributed or performed without the required approval of or clearance by Health Canada or any foreign equivalent governmental agency or authority.

9. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar legislation.

SECTION III – WHO IS AN INSURED

A. If you are designated in the Declarations as:

1. An individual, you and your spouse or common-law partner are insureds, but only with respect to the conduct of a business of which you are the sole owner.
2. A partnership or joint venture, you are an insured. Your members, your partners and their spouses or common-law partners are also insureds, but only with respect to the conduct of your business.
3. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
4. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

B. Each of the following is also an insured:

1. Your **employees** or **volunteer workers**, other than your officers and directors, or members or managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these **employees** or **volunteer workers** are insureds for:
 - a. **Bodily injury:**
 - (1) To you, your partners, members or managers or to a co-**employee** or another **volunteer worker** while in the course of his or her employment or performing duties related to the conduct of your business;
 - (2) To the spouse, common-law partner, child, parent, brother or sister of that co-**employee** or **volunteer worker** as a consequence of Paragraph a.(1) above; or
 - (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph a.(1) or (2) above.Voluntary participation in a **clinical trial** will not be deemed to be within the scope of employment or performance of duties related to the conduct of your business.
 - b. **Property damage** to property:
 - (1) Owned, occupied or used by;
 - (2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your **employees** or **volunteer workers** or any partner or member.
2. Any independent contractor, who is an individual and with whom you have a written contract or agreement, but only for an **information risk incident, communication incident** or violation of a **privacy regulation** committed:
 - a. Within the scope of that independent contractor's duties for you while working at your direction and for your benefit; and
 - b. After that contract or agreement is executed.
3. Any entity that is a **subsidiary** as of the Effective Date shown in the Declarations of this policy, unless otherwise excluded. However, coverage as an insured under this provision will not extend to any **subsidiary** acquired or formed on or after the effective date of the first policy of which this policy is part of a series of continuous renewal policies, unless you notified us of the acquisition or formation of such **subsidiary** before the Effective Date shown in the Declarations of this policy.

C. The following are also insureds, but only with respect to Liability Coverages 1 Errors or Omissions and 5 Products-Completed Operations Hazard:

1. Any person or organization that is not otherwise an insured under this policy and that you are required by written contract or agreement to name as an additional insured, including but not limited to any **contract manufacturing organization** or **contract research organization**, but only with respect to liability arising out of **your product** or **your work** performed for you by that additional insured. However:
 - a. No such person or organization is an insured for any **claim** arising out of:
 - (1) Their independent acts, errors or omissions; or
 - (2) Any act, error or omission committed, or **bodily injury** or **property damage** occurring, before that contract or agreement was executed.
 - b. The insurance afforded to that person or organization:
 - (1) Only applies to the extent permitted by law; and
 - (2) Will not be broader than that which you are required by the contract or agreement to provide for the person or organization; and
 - c. Solely with respect to Liability Coverage 5 Products-Completed Operations Hazard, this insurance will be primary to, and will not seek contribution from, any other insurance available to an additional insured if:
 - (1) The additional insured is a Named Insured under that other insurance; and
 - (2) You have agreed in a written contract or agreement that this insurance will be primary to, and not seek contribution from, other insurance available to the additional insured.

Otherwise, this insurance is excess over any other valid and collectible insurance that is available to the additional insured for a loss we cover under this policy.

2. Any person (other than your **employee** or **volunteer worker**) or any organization while acting as your real estate manager.

D. The following are also insureds, but only with respect to Liability Coverage 5 Products-Completed Operations Hazard:

1. Any **vendor** but only with respect to liability for **damages** arising out of their demonstration, distribution or sale, in the normal course of their business, of **your product**. However, no **vendor** is an insured for:
 - a. An **incident** caused by the **vendor's** sole negligence;
 - b. Assumption of liability by the **vendor**, except for liability for **damages** for **bodily injury** or **property damage** that the **vendor** would have in the absence of that assumption of liability;

- c. Any representation, guarantee or warranty not authorized by you;
 - d. Any chemical or physical change to **your product** made intentionally by the **vendor**;
 - e. Repackaging of **your product**, unless unpacked solely for the purposes of inspection, demonstration or testing, or the replacement of parts as ordered by, and consistent with instructions provided by, you or the manufacturer;
 - f. Failure to make inspections, perform adjustments, conduct tests or perform servicing as the **vendor** has agreed to or which are undertaken in the normal course of business in connection with demonstration, distribution or sale of **your product**;
 - g. **Your product** that has been labeled or relabeled, or used as a container, ingredient, part, component or for anything else by or for the **vendor**; or
 - h. Any demonstration, installation, adjustment, assembly, disposal, inspection, repair, or test done away from the **vendor's** premises. However, this provision does not apply if the **vendor**, working under a written contract or agreement with you, is an independent sales representative or service contractor for **your product**, and the written contract or agreement with the **vendor** requires you to provide them with insurance provided under this policy.
2. Your **scientific advisory board**, but only with respect to **bodily injury** or **property damage** for activities performed on your behalf.
 3. A **clinical trial** independent contractor that you are required in a written contract or agreement with that person or organization to provide insurance provided under this policy. But:
 - a. This insurance is afforded only:
 - (1) In connection with a **clinical trial** sponsored by you; and
 - (2) For work done according to a written protocol for a **clinical trial**.
 - b. The insurance afforded to such **clinical trial** independent contractor:
 - (1) Only applies to the extent permitted by law; and
 - (2) Will not be broader than that which you are required by the contract or agreement to provide for the person or organization.
 - c. No such **clinical trial** independent contractor is an insured for any:
 - (1) Failure to comply with the terms and conditions of your written contract or agreement with them;
 - (2) Representation, warranty, or guarantee not expressly authorized by you;
 - (3) Assumption of liability by that person or organization, except for liability for **damages** for **bodily injury** or **property damage** that the person or organization would have in the absence of that assumption of liability;
 - (4) Changes made by the person or organization to **your product** unless expressly authorized by you; or
 - (5) **Incident**:
 - (a) Resulting from a failure to follow any protocol; or
 - (b) Caused by the sole negligence of the person or organization.
 - E. No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not a Named Insured under this policy.

SECTION IV – LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay under this policy regardless of the number of:
 1. Insureds;
 2. **Claims** or **foreign jurisdiction demands** made or **privacy regulatory proceedings** brought;
 3. Persons or organizations making or bringing **claims**, **privacy regulatory proceedings** or **foreign jurisdiction demands**; or
 4. **First-party incidents**.
- B. The Maximum Policy Aggregate Limit shown in the Declarations is the most we will pay under this policy for all **damages**, **defence expenses**, **privacy regulatory fines**, **consumer redress funds**, **foreign jurisdiction expenses**, **medical expenses** and **first-party loss**. We will have no further obligations under this policy once the Maximum Policy Aggregate Limit is exhausted.
- C. Subject to the Maximum Policy Aggregate:
 1. The Combined Liability Limit shown in the Declarations is the most we will pay for all **damages**, **defence expenses**, **privacy regulatory fines**, **consumer redress funds**, **foreign jurisdiction expenses** and **medical expenses** under all Liability Coverages.
 2. The Combined First-Party Limit shown in the Declarations is the most we will pay for all **first-party loss** under all First-Party Coverages.
- D. Subject to the Combined Liability Limit:
 1. The most we will pay for all **damages** and **defence expenses** under each Liability Coverage 1, 2 or 3 is the Aggregate Limit shown in the Declarations for each such Liability Coverage. Subject to the Aggregate Limit for each Liability Coverage, the Each Claim Limit is the most we will pay for **damages** and **defence expenses** for **each** claim under such coverage.
 2. The most we will pay for all **defence expenses**, **privacy regulatory fines**, **consumer redress funds** under Liability Coverage 4 is the Aggregate Limit shown in the Declarations for Liability Coverage 4. Subject to the Aggregate Limit for Liability Coverage 4:
 - a. The Each Proceeding Defence Limit shown in the Declarations is the most we will pay for all **defence expenses** for each **privacy regulatory proceeding** under Liability Coverage 4.
 - b. The Privacy Regulatory Fines and Consumer Redress Limit shown in the Declarations is the most we will pay for all **privacy regulatory fines** and **consumer redress funds** under Liability Coverage 4.
 3. The most we will pay for all **damages**, **defence expenses** and **foreign jurisdiction expenses** under Liability Coverage 5 is the Aggregate Limit shown in the Declarations for Liability Coverage 5. Subject to the Aggregate Limit for Liability Coverage 5, the Each Claim or Demand Limit is the most we will pay for **damages** and **defence expenses** for each **claim** under Liability Coverage 5 and for **foreign jurisdiction expenses** and **defence expenses** for each **foreign jurisdiction demand** under Liability Coverage 5.
 4. The most we will pay for all **medical expenses** under Liability Coverage 6 is the Aggregate Limit shown in the Declarations for Liability Coverage 6. Subject to the Aggregate Limit for Liability Coverage 6, the Each Clinical Trial Participant Limit is the most we will pay for all **medical expenses** for each **clinical trial participant** under Liability Coverage 6.
 5. For purposes of the Each Claim Limit, all **related claims**, **proceedings** or **demands** are deemed a single **claim**, **privacy regulatory proceeding** or **foreign jurisdiction demand** subject to the same Each Claim Limit.
- E. Subject to the Combined First-Party Limit, the most we will pay for all **first-party loss** under each First-Party Coverage is the Limit shown in the Declarations for each such Coverage. With respect to First Party Coverage 7, the Withdrawal Expense Aggregate Limit is the most we will pay for all **withdrawal expense** for all **covered recalls**, and the Each Covered Recall Limit is the most we will pay for all **withdrawal expense** for any one **covered recall**. With respect to First Party Coverage 8, the Crisis Management Aggregate Limit is the most we will pay for all **crisis management expense** for all **crisis management events**, and the Each Crisis Management Event Limit is the most we will pay for all **crisis management expense** for any one **crisis management event**.

- F. If any **related circumstance** results in a **claim, privacy regulatory proceeding, foreign jurisdiction demand** or **related claims, proceedings or demands** for which coverage is available under more than one Liability Coverage, we will pay no more than the highest single Each Claim, Demand or Proceeding Limit that applies.
- G. If the Policy Period shown in the Declarations is more than 12 months at inception, the Limits of Insurance apply separately to each consecutive annual period and to any remaining period of less than 12 months. If we extend the Policy Period after inception for less than 12 months, the Limits of Insurance apply to the entire Policy Period and will not be increased or reinstated.
- H. Only to the extent required under the insurance laws of the province of Quebec, regardless of the provisions above, we will pay **defence expenses** in addition to the applicable Limit of Insurance.

SECTION V – DEDUCTIBLES AND COINSURANCE

- A. The Deductibles and Coinsurance shown in the Declarations and the rules below fix the amount of **damages, defence expenses, privacy regulatory fines, consumer redress funds, foreign jurisdiction expenses, medical expenses, first-party loss** or other expenses shown in the Declarations and incurred by, or on behalf of, you or any insured, that you will be responsible for paying. The Deductibles do not apply to payments we make under Paragraph U. **SUPPLEMENTARY PAYMENTS – LIABILITY COVERAGES** of **SECTION VIII – CONDITIONS**.
- B. A Deductible applies only to the Coverages for which an amount is shown in the Declarations. If no amount is shown for the Deductible, a Deductible does not apply to such Coverage.
 - 1. Each Liability Coverage Deductible, other than Liability Coverage 6 Clinical Trial Medical Expenses, applies to each **claim, foreign jurisdiction demand** or **privacy regulatory proceeding** under such Liability Coverage.
 - 2. The Deductible for Liability Coverage 6 Clinical Trial Medical Expenses applies to all **medical expenses** for **bodily injury** to each **clinical trial** participant.
 - 3. Each First-Party Coverage Deductible applies to all **first-party loss** caused by the same **first-party incident**, including all **related first-party incidents**.
 - 4. For purposes of the Each Liability Coverage Deductible, all **related claims, proceedings or demands** are deemed a single **claim, privacy regulatory proceeding** or **foreign jurisdiction demand** subject to the same Each Liability Coverage Deductible.
 - 5. The Aggregate Liability Deductible is the most you will be responsible for paying for all Deductibles for the combined total of all **claims, privacy regulatory proceedings, foreign jurisdiction demands** or **medical expenses** under all Liability Coverages during the Policy Period shown in the Declarations.
- C. If more than one Deductible applies to a **claim, privacy regulatory proceeding, foreign jurisdiction demand, related claims, proceedings or demands, medical expenses** or **first-party loss**, or to any combination of the foregoing, you are required to pay only the highest Deductible. Only amounts you pay for the highest Deductible will be applied to the Aggregate Deductible.
- D. The Limits of Insurance will not be reduced by the payment of any applicable Deductible.
- E. You may not transfer or insure your liability for payment of the Deductible. We have no obligation to pay any amounts until you have paid in full the applicable Deductible shown in the Declarations. We may pay all or part of the Deductible to defend an insured against, or effect payment or settlement of, any **claim, privacy regulatory proceeding, foreign jurisdiction demand, medical expenses** or **first-party loss**. If we do so, you must promptly reimburse us from your own funds for that part of the Deductible amount we have paid.
- F. Only to the extent required under the insurance laws of the province of Quebec, regardless of the provisions in paragraphs A. and E. above, no Deductible shall apply to **defence expenses**.
- G. For any First Party Coverage for which a Coinsurance Percentage is shown in the Declarations or in an Endorsement, such First Party Coverage is subject to coinsurance. You must pay as coinsurance the Coinsurance Percentage shown in the Declarations or the Endorsement's Schedule for all **first-party loss** under such Coverage. We do not have any obligation to pay any **first-party loss** under such Coverage unless you have first paid the Deductible and, as Coinsurance, the percentage of **first-party loss** shown in the Declarations or the Endorsement's Schedule. The Deductible and Coinsurance for **first-party loss** must be borne by you and remain uninsured. We will pay only the amount of **first-party loss** under such Coverage that exceeds the applicable Deductible and Coinsurance Percentage, subject to the Limits of Insurance.
 Your payment of Coinsurance for **first-party loss** under such Coverage does not reduce such Coverage's Limit, the Combined First-Party Limit or the Maximum Policy Aggregate Limit. Only the portion of **first-party loss** paid by us under such Coverage shall reduce such Coverage's Limit, the Combined First-Party Limit and the Maximum Policy Aggregate Limit.

SECTION VI – EXTENDED REPORTING PERIOD

- A. We will provide one or more Extended Reporting Periods, as described below, if:
 - 1. This policy is cancelled or not renewed for any reason other than fraud or nonpayment of premium; or
 - 2. We renew or replace this policy with insurance that:
 - a. Has a Retroactive Date later than the date shown in this policy; or
 - b. Does not apply to an **error or omission, information risk incident, communication incident, bodily injury** or **property damage** caused by an **incident** or violation of a **privacy regulation** on a claims-made basis.
- B. Extended Reporting Periods do not apply to Liability Coverage 6 Clinical Trial Medical Expenses or any First-Party Coverage, extend the Policy Period shown in the Declarations, increase or reinstate the Limits of Insurance or change the scope of the original terms of the coverage provided. They only apply to **claims, privacy regulatory proceedings** or **foreign jurisdiction demands** first made or brought during the Extended Reporting Period for **errors or omissions, information risk incidents, communication incidents**, or violations of a **privacy regulation** committed, or **incidents** taking place, before the end of the Policy Period and on or after the Retroactive Date shown in the Declarations. Once in effect, an Extended Reporting Period may not be cancelled.
- C. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the Policy Period shown in the Declarations and lasts for:
 - 1. Five years with respect to any **claim** or **foreign jurisdiction demand** because of **bodily injury** or **property damage** caused by an **incident** that is first reported to us as a potential claim during the Policy Period or within 90 days after the end of the Policy Period in accordance with Paragraph J. **DUTIES IN THE EVENT OF A POTENTIAL CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES** of **SECTION VIII – CONDITIONS**; or
 - 2. 90 days after the end of the Policy Period for any other **claim, privacy regulatory proceeding** or **foreign jurisdiction demand**.
- D. The Basic Extended Reporting Period does not apply to any **claim, privacy regulatory proceeding** or **foreign jurisdiction demand** covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to that **claim, privacy regulatory proceeding** or **foreign jurisdiction demand**.
- E. If you make a request to us, in writing, within 90 days of the end of the Policy Period shown in the Declarations, you may purchase a Supplemental Extended Reporting Period for an extra charge. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will not exceed 200% of the annual premium for this policy.

SECTION VII – DEFINITIONS

- A. Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
1. Notices that are published include material placed on the internet or on similar electronic means of communication; and
 2. Only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- B. Advertising, access and content activities** means:
1. Advertising, broadcasting, publishing or telecasting;
 2. Designing or determining content of websites for others; or
 3. Providing internet search, access or content services.
- C. Advisory memorandum** means a written communication issued by you or on your behalf to health care professionals, customers, product users, suppliers, vendors or the public at large informing them of an actual or alleged defect or deficiency in **your product** or its labeling.
- D. Bodily injury** means physical injury, sickness or disease sustained by a person, and emotional distress, mental anguish, mental injury, shock, disability, fright or death resulting from such physical injury, sickness or disease.
- E. Circumstance:**
1. Means an **error or omission, information risk incident, communication incident, incident, bodily injury, property damage**, violation of a **privacy regulation** or **first-party incident** that may reasonably be expected to result in a **claim, privacy regulatory proceeding, foreign jurisdiction demand** or **medical expenses**.
 2. Includes an **advisory memorandum, a covered recall**, receipt of a warning letter from a governmental agency or authority (not including a Food and Drug Administration Form 483 or any equivalent Health Canada or foreign form from another governing body) or the requirement of a serious warnings and precautions box, a new black-box label or boxed warning on **your product**.
- An adverse event reported to, or required by, Health Canada or any foreign equivalent governmental agency or authority, on its own, does not constitute a **circumstance**.
- F. Claim:**
1. Means a:
 - a. Written demand, civil suit or proceeding in a court of law or equity, or an arbitration proceeding to which the insured must submit, seeking **damages** or **non-monetary relief**; or
 - b. Request to toll or waive a statute of limitations.
 2. Includes any other arbitration or alternative dispute resolution proceeding to which the insured submits with our consent.
 3. Does not include a **privacy regulatory proceeding** or **foreign jurisdiction demand**.
- G. Clinical trial** means a structured study or test on participants in order to determine or measure the safety and efficacy of **your product**.
- H. Collection responsibilities** means the gathering, collection, acquisition, use, obtaining, taking, disclosure, sharing, dissemination, or access to or of **personally identifiable information**, including but not limited to allowing any person to assent, consent, opt-in, opt-out or withhold or withdraw assent or consent to such gathering, collection, acquisition, use, obtaining, taking, disclosure, sharing, dissemination, or access to or of their **personally identifiable information**.
- I. Communication incident:**
1. Means the following, except in your **advertisement**:
 - a. Infringement, dilution or violation of any right to a trademark, trade name, service mark, service name, trade dress, title, slogan or logo;
 - b. Copyright infringement or plagiarism other than in software, code or script; or
 - c. Misappropriation of a name or likeness or violation of the right of publicity.
 2. Includes the following, but only if committed by an insured whose business includes **advertising, access and content activities**, or an insured that conducts business in or on, and hosts, owns or exercises control over, an electronic chat room, bulletin board or similar interactive site on which others may post content:
 - a. Libel, slander, product disparagement, trade libel or any other form of defamation; or
 - b. Invasion or infringement of the right of privacy, including intrusion upon a person's or organization's right of seclusion or secrecy, except in your **advertisement**.
- J. Consumer redress fund** means amounts, other than **privacy regulatory fines**, forfeitures, sanctions, taxes or fees, the insured is legally obligated to pay into a fund as equitable relief for consumers because of a **privacy regulatory proceeding**.
- K. Contract manufacturing organization** means a person or organization, other than a **contract research organization**, that provides products or performs manufacturing-related services under a written contract or agreement with you.
- L. Contract research organization** means a person or organization, other than a **contract manufacturing organization**, that performs services under a written contract or agreement.
- M. Control group** means the insured's Chief Executive Officer, Chief Financial Officer, Chief Security Officer, Chief Technology Officer, Chief Information Officer, Director of Compliance, Risk Manager, General Counsel or their equivalents, or anyone responsible for your insurance or **claim** reporting.
- N. Corporate information** means confidential and proprietary information of others in the insured's or **service provider's** care, custody or control.
- O. Covered recall** means a Type 1 (in Canada), Class 1 (in the United-States of America) or any similar local, national or foreign recall made necessary because the insured or a governmental agency or authority has determined that there is a reasonable chance that a known or suspected defect, deficiency, inadequacy or dangerous condition in **your product** has caused or will cause serious **bodily injury**.
- However, solely for purposes of First Party Coverage 9 Mitigation and Medical Monitoring Expense, when the definition of **withdrawal expense** at Paragraph 3.a. of the definition of **mitigation expense** uses the term **covered recall**, then **covered recall** means any type of recall, removal or withdrawal of **your product** from the market.
- P. Credit monitoring services:**
1. Means services for monitoring credit, including related remediation services or identity restoration services, provided by a **designated vendor** to any individual who is, or is reasonably believed to be, a victim of an **information loss**.
 2. Does not include any services for:
 - a. Any individual who does not have a Social Insurance Number; or
 - b. Any individual notified under any foreign law, statute, ordinance, by-law or regulation.
- Q. Crisis management event** means:
1. An **advisory memorandum**;
 2. Receipt of a warning letter from a governmental agency or authority (not including a Food and Drug Administration Form 483 or any equivalent Health Canada or foreign form from another governing body); or
 3. The requirement of a new serious warnings and precautions box, a black-box label or boxed warning on **your product**.

R. Crisis management expense:

1. Means the following amounts incurred during, or before and in anticipation of, a **crisis management event**:
 - a. Public relations efforts provided by a **designated vendor** for the purpose of restoring the insured's reputation to the extent it has been harmed by that **crisis management event**; and
 - b. If recommended by a **designated vendor** or approved in writing by us before being incurred, costs for printing, advertising, mailing or travel by your directors, officers, members or managers (if you are a limited liability company) or **employees** in connection with that **crisis management event**.
2. Does not include:
 - a. Compensation, fees, benefits, overhead or any other charges or expenses other than as described in Paragraph 1.b. above; or
 - b. **Mitigation expense or medical monitoring expense.**

S. Damages:

1. Means judgments, settlements or other monetary amounts that an insured is legally obligated to pay on account of a covered **claim**.
2. Does not include:
 - a. Amounts awarded as liquidated damages under a contract or agreement that exceed the amount of **damages** for which the insured would have liability in the absence of such contract or agreement;
 - b. Amounts owed to you by your customer;
 - c. Amounts paid to you by your customer in exchange for **your product or your work**;
 - d. Any matter uninsurable under applicable law;
 - e. **Defence expenses**;
 - f. Fines, penalties, taxes, sanctions, assessments, unless insurable under applicable law;
 - g. **Privacy regulatory fines or consumer redress funds**;
 - h. **First-party loss**;
 - i. License, fees or royalties of any kind;
 - j. **Non-monetary relief**;
 - k. Payment, restitution, return or disgorgement of any fees, profits, commissions, charges, or any funds allegedly wrongfully or unjustly held or obtained;
 - l. Punitive damages or the multiple portions of a multiplied damage award, unless those damages are insurable under the applicable law most favorable for insurability of punitive damages;
 - m. Amounts paid as **foreign jurisdiction expenses** under Liability Coverage 5 or as **medical expenses** under Liability Coverage 6; or
 - n. Any loss, cost, or expense incurred by or on behalf of any insured or others to provide, complete, correct, repair, replace, reproduce, reprint, restore, upgrade, supplement or otherwise improve **your product, your work or impaired property**.

T. Data breach expense:

1. Means reasonable and necessary expenses for:
 - a. Public relations efforts within the first six months following an **extortion** or discovery of an **information risk incident** that are provided by a **designated vendor** for the purpose of restoring the insured's reputation to the extent it has been harmed by that **extortion or information risk incident**; and
 - b. Legal counsel regarding how to respond to the **extortion or information risk incident** other than compensation, fees, benefits, overhead or internal charges of any insured.
2. Does not include **forensic expense**.

U. Defence expenses:

1. Means the following costs and expenses, when reasonable and necessary and incurred at our direction or with our prior written consent, to defend or investigate a covered **claim, privacy regulatory proceeding or foreign jurisdiction demand** against an insured:
 - a. Lawyer's fees;
 - b. Expert fees;
 - c. Court, arbitration and mediation costs; and
 - d. Such other expenses as we determine are reasonable and necessary to defend the insured.
2. Does not include any **first-party loss**.

V. Denial of service attack means any unauthorized attack on the insured's operating system or the insured's website that successfully corrupts, damages, destroys, deletes or impairs the **insured's network**, except with respect to First Party Coverage 6. With respect to First Party Coverage 6, a **denial of service attack** means any unauthorized attack on the insured's operating system or the insured's website that successfully corrupts, damages, destroys, deletes or impairs **your network**.

W. Designated vendor means a vendor selected and approved in writing by us to provide services to the insured.

X. Employee includes:

1. Full and part-time employees or interns; and
2. Leased and temporary workers provided by an employment contractor or agency under an agreement with you to perform work related to your business; but only for acts within the scope of their employment by you.

Y. Error or omission means any negligent act, error or omission committed by an insured in the course of preparing or providing **your product** to, or performing **your work** for, a customer or client.

Z. Extortion means the actual or attempted obtaining of money or other property from an insured or **service provider** through an actual or threatened **information risk incident**.

AA. Extortion payments means payment if:

1. The payment is approved by us in writing;
2. The payment is facilitated and negotiated by a **designated vendor**;
3. You, working with the **designated vendor**, take all reasonable steps, and make a good faith effort, to eliminate or reduce the **extortion demand**;
4. You take all reasonable steps, and make a good faith effort, to restore the impacted data;
5. You fully cooperate with us and the **designated vendor** to investigate steps to restore the impacted data;
6. You previously reported the **extortion** to applicable law enforcement or regulatory agencies;
7. You did not notify any person or entity of the existence of the coverage for **extortion**; and
8. The person who commits the **extortion** is not an **employee** or an insured.

BB.Extra expense means reasonable and necessary expenses incurred to protect **your network** from further **network disruption** and reduce your **net business income loss**, but only if such expenses would not have been incurred if there had been no **network disruption**.

CC.First-party incident means any of the following:

1. An **information risk incident** for which the following are available under this policy:
 - a. **Incident management expense**;
 - b. **Information restoration expense**;
 - c. **Hardware replacement expense**;
 - d. **Forensic expense**.
2. **Extortion** for which **extortion payments** are available under this policy.
3. A **network disruption** for which **net business income loss** or **extra expense** are available under this policy.
4. A **covered recall** for which **withdrawal expense** is available under this policy.
5. A **crisis management event** for which **crisis management expense** is available under this policy.
6. A **circumstance** for which **mitigation expense** or **medical monitoring expense** is available under this policy.

DD.First-party loss means the following losses, expenses or payments:

1. **Incident management expense** incurred through a **designated vendor** for **extortion** or an **information risk incident** under First-Party Coverage **1**.
2. **Information restoration expense** incurred through a **designated vendor** for an **information risk incident** under First-Party Coverage **2**.
3. **Hardware replacement expense** for seizure or destruction of hardware by a civil authority of the federal, state, provincial or territorial government for an **information risk incident** under First-Party Coverage **3**.
4. **Extortion payments** incurred through a **designated vendor** for **extortion** under First-Party Coverage **4**.
5. **Forensic expense** incurred through a **designated vendor** for an **information risk incident** under First-Party Coverage **5**.
6. **Net business income loss** or **extra expense** for a **network disruption** under First Party Coverage **6**.
7. **Withdrawal expense** for a **covered recall** under First-Party Coverage **7**.
8. **Crisis management expense** incurred through a **designated vendor** for a **crisis management event** under First-Party Coverage **8**.
9. **Mitigation expense** and **medical monitoring expense** for a **circumstance** under First-Party Coverage **9**.

First-party loss does not include any **damages, privacy regulatory fines, consumer redress funds, foreign jurisdiction expenses, medical expenses** or **defence expenses**.

EE.Foreign jurisdiction clinical trial means a **clinical trial** located in a jurisdiction other than Canada, its territories or possessions.

FF.Foreign jurisdiction demand means a demand against you for indemnification for a **foreign jurisdiction clinical trial** under any mandatory or voluntary compensation guidelines established by a governmental, self-regulatory or industry organization, including the Association of the British Pharmaceutical Industry or the Belgian Federal Public Service Health, Food Chain Safety and Environment.

GG.Foreign jurisdiction expenses means those amounts you pay as compensation to a **foreign jurisdiction clinical trial** participant as a result of a **foreign jurisdiction demand**, but only if those amounts are made in accordance with the mandatory or voluntary compensation guidelines established by a governmental, self-regulatory or industry organization, including the American Food and Drug Administration, the Association of the British Pharmaceutical Industry or the Belgian Federal Public Service Health, Food Chain Safety and Environment.

HH.Forensic expense:

1. Means the reasonable and necessary expenses incurred through a **designated vendor** for forensic analysis of the nature, extent and severity of an **information risk incident** and the number and identities of persons affected.
2. Does not include compensation, fees, benefits, overhead or internal charges of any insured.

II. Hardware replacement expense:

1. Means the reasonable and necessary expense to replace computer hardware with available property that most closely duplicates the function of the seized or destroyed computer hardware at the time of loss.
2. Does not include media or data of any type.

JJ. Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

1. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of **your product** or **your work** or your fulfilling the terms of the contract or agreement.

KK. Incident means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

LL. Incident management expense:

1. Means the following reasonable and necessary expenses incurred through a **designated vendor**:
 - a. **Data breach expense**;
 - b. **Information risk expense**; and
 - c. **Notification expense**.
2. Does not include compensation, fees, benefits, overhead or internal charges of any insured.

MM.Information loss means an unauthorized or accidental disclosure or loss of:

1. **Corporate information**; or
2. **Personally identifiable information**

in your or a **service provider's** care, custody or control.

NN.Information restoration expense:

1. Means the following expenses incurred through a **designated vendor**:
 - a. The reasonable and necessary expense incurred through a **designated vendor** to replace, restore, repair, reproduce, correct, research, complete, adjust, functionally replace, re-collect or re-create data; or
 - b. The reasonable and necessary expense incurred through a **designated vendor** to determine that data cannot reasonably be replaced, restored, repaired, reproduced, corrected, researched, completed, adjusted, functionally replaced, re-collected or re-created.

2. Does not include:
 - a. The expense of computer hardware, applications, programs or software;
 - b. Compensation, fees, benefits, overhead or internal charges of any insured;
 - c. The cost of updating, upgrading, enhancing, replacing or otherwise improving your data, computer system or any other system to a level beyond that which existed prior to the **information risk incident**;
 - d. The cost of identifying, removing or remediating computer program errors or vulnerabilities;
 - e. Expenses incurred in furtherance of the restoration or replacement of data owned by a third party including your customers;
 - f. Any economic, monetary or market value or any diminution in value of any data, including any trade secret, patent, copyright, trademark, trade dress or other intellectual property;
 - g. The expense of researching or developing any intellectual property; or
 - h. The cost of funds, currency, securities, accounts, bills, evidences of debt, money, valuable papers, records, abstracts, deeds, manuscripts or other financial, debt, credit, bond or equity instruments or documents.

OO. Information risk expense means:

1. **Credit monitoring services**, performed by a **designated vendor** and provided with our consent, but only for one year after the discovery of an **information loss**, unless the **designated vendor** recommends and we agree in writing to a longer period; and
2. When a **designated vendor** reasonably recommends, the creation of a toll-free response line for persons notified of an **information loss**.

PP. Information risk incident means:

1. **Information loss**; or
2. **Network security incident**.

QQ. Insured contract means that part of any other contract or agreement pertaining to your business under which you assume the tort liability of another party to pay for **bodily injury** or **property damage** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

RR. Insured's network means any network of computers owned, leased or operated by an insured in support of **your product** or **your work** or any network of computers owned, leased or operated by a **service provider**.

SS. Loading or unloading:

1. Means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft, motor vehicle, trailer or semitrailer;
 - b. While it is in or on an aircraft, watercraft, motor vehicle, trailer or semitrailer; or
 - c. While it is being moved from an aircraft, watercraft, motor vehicle, trailer or semitrailer to the place where it is finally delivered.
2. Does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft, motor vehicle, trailer or semitrailer.

TT. Material change in organization means the First Named Insured:

1. Acquires or forms a **subsidiary** whose annual revenues are more than 10% of the First Named Insured's total annual revenues stated in the application for this policy; or
2. Merges or consolidates with another entity, and the First Named Insured is the surviving entity.

UU. Medical expenses means the reasonable expense for necessary:

1. First aid administered at the time of an accident;
2. Medical, surgical, x-ray or dental services, including prosthetic devices; or
3. Ambulance, hospital, professional nursing and funeral services.

VV. Medical Monitoring Expense:

1. Means those reasonable and necessary expenses incurred to conduct medical testing on, or medical monitoring of, a potential claimant in the absence of physical injury, sickness or disease, but only if:
 - a. Such expenses are incurred to minimize potential **damages** for which the insured might become liable in a covered **claim**;
 - b. The potential claimant has been exposed to **your product** or **your work**;
 - c. Such exposure creates a substantial risk that the claimant will sustain **bodily injury** in the future; and
 - d. Such testing or monitoring is medically warranted because the prospect of early diagnosis of **bodily injury** will improve the chance of beneficial medical intervention; and
2. Does not include:
 - a. **Medical expenses, withdrawal expense, crisis management expense**;
 - b. Any other loss, cost or expense arising out of or in any way involving any recall of any product; or
 - c. Fees, costs or expenses incurred to comply with any governmental or regulatory requirement.

WW. Mitigation Expense:

1. Means those reasonable and necessary expenses incurred to minimize potential **damages** for which the insured might become liable in a covered **claim**.
2. Includes amounts incurred to correct, re-perform, repair, replace, reproduce or restore **your product** or **your work**.
3. Does not include:
 - a. **Medical expenses, withdrawal expense, crisis management expense**;
 - b. Any other loss, cost or expense arising out of or in any way involving any recall of any product; or
 - c. Fees, costs or expenses incurred to comply with any governmental or regulatory requirement.

XX. Net business income loss:

1. Means the sum of:
 - a. Net profit before income taxes that would have been earned, or net loss before income taxes that would have been incurred; and
 - b. Continuing normal operating expenses incurred, including payroll;
 if there had been no **network disruption**, but only with respect to your business operations that are dependent on **your network**.
2. Does not include any income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the **network disruption** on customers or other businesses.

YY. Network disruption means an actual and measurable interruption, failure or necessary shutdown of **your network** caused by or resulting from a **security failure**.

ZZ. Network security incident means:

1. The inability of authorized persons or organizations to access or use the **insured's network**, including a **denial of service attack**;
2. Access or use of the **insured's network** by unauthorized persons, including access or use by persons in a manner that exceeds their authority; or
3. Transmission of a virus or malware by the insured or a **service provider**.

AAA. Non-monetary relief:

1. Means declaratory, injunctive or other equitable relief.
2. Does not include restitution, consumer redress (including **consumer redress funds**), disgorgement, the cost of complying with any declaratory, injunctive or other equitable relief, or any other form of equitable relief requiring the payment of money.

BBB. Notification expense means the reasonable and necessary cost or expense incurred by a **designated vendor** for notification to those whose **personally identifiable information** was affected by an **information loss**, including but not limited to a voluntary notification that the **designated vendor** reasonably recommends. **Notification expense** also includes the reasonable and necessary cost or expense for providing notification of the **information loss** to the Office of the Privacy Commissioner of Canada and any other regulatory authority as may be required.

CCC. Period of restoration means the period of time that:

1. Begins after the end of the **waiting period** following the first interruption, failure or shutdown by a **network disruption**; and
2. Ends on the earlier of:
 - a. The date **your network** should reasonably be restored, using reasonable diligence and effort, to substantially the same level of operation as before the **network disruption**; or
 - b. Thirty days from the date and time **your network** was first interrupted, failed or shutdown by the **network disruption**.

DDD. Personally identifiable information:

1. Means:
 - a. An individual's first name or first initial and last name in combination with one or more of the following data elements for such individual:
 - (1) Social Insurance Number;
 - (2) Driver's license number or non-driver identification card number;
 - (3) Medicare card number or equivalent provincial or territorial healthcare identification card number;
 - (4) Account number, credit card number or debit card number in combination with any required security code, access code or password that would permit access to the individual's financial account;
 - (5) Information regarding medical history, mental or physical condition, medical treatment or diagnosis by a health care professional;
 - (6) Health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual or any information in the individual's application and claims history, including any appeals records; or
 - (7) Biometric identifiers, including finger prints or retina scan;
 - b. A user name or email address in combination with a password or security question and answer that would permit access to an online account; or
 - c. Any other non-public personally identifiable information protected under any federal, state, provincial, territorial, local or foreign law, statute, ordinance, by-law or regulation;if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial or medical record information.
2. Does not include publicly available information that is lawfully made available to the general public from federal, state, provincial, territorial, local or foreign government records.

EEE. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

FFF. Privacy regulatory fines means civil fines or civil penalties imposed by a governmental agency or authority in a **privacy regulatory proceeding**.

GGG. Privacy regulatory proceeding means any civil investigative demand or civil, administrative or regulatory proceeding by a governmental authority because of an alleged violation of a **privacy regulation**.

HHH. Privacy regulation means any law, statute, by-law or regulation applying to an **information loss** or **collection responsibilities** involving **personally identifiable information**, including but not limited to the following:

1. The *Personal Information Protection and Electronic Documents Act*, (S.C. 2000, c.5);
2. Federal, state, provincial or territorial privacy laws regulating **personally identifiable information**;
3. The U.S. *Gramm-Leach-Bliley Act*;
4. The U.S. *Health Information Technology for Economic and Clinical Health Act (HITECH)*;
5. The U.S. *Health Insurance Portability and Accountability Act (HIPAA)*;
6. Section 5(a) of the Federal Trade Commission Act, but solely for alleged unfair or deceptive acts or practices in or affecting commerce in the use of **personally identifiable information**;
7. The European Union *General Data Protection Regulation (GDPR)*.

III. Products-completed operations hazard:

1. Means **bodily injury** and **property damage**:
 - a. Arising out of **your product** or **your work**; and
 - b. Occurring away from premises you own or rent unless:
 - (1) A **contract manufacturing organization** provided the product or performed the manufacturing-related services giving rise to **property damage** that occurs at premises you own or rent; or
 - (2) A **contract research organization** performed the services giving rise to the **bodily injury** or **property damage** that occurs at premises you own or rent.
2. Does not include **bodily injury** or **property damage** arising out of:
 - a. Products, other than those used in a **clinical trial**, that are still in your physical possession;
 - b. Work that has not yet been completed, unless all of the work called for in your contract has been completed;
 - c. The transportation of property, unless the **bodily injury** or **property damage** arises out of a condition in or on a vehicle created by the **loading or unloading** of that vehicle; or
 - d. The existence of tools, uninstalled equipment or abandoned or unused materials.

JJJ. Property damage means:

1. Physical injury to tangible property, including resulting loss of use of that property, but all such loss of use will be deemed to occur at the time of physical injury that caused it; or
2. Loss of use of tangible property that is not physically injured, but all such loss of use will be deemed to occur at the time of the **incident** that caused it.

KKK. Related circumstance means any **circumstance** involving two or more, or any combination of, **errors or omissions, extortions, information risk incidents, communication incidents, incidents, bodily injuries, property damage** or violations of a **privacy regulation**, that have in common any fact, circumstance, situation, event, transaction, cause or series of related facts, defects or failure to warn of defects, circumstances, situations, events, transactions or causes.

LLL. Related claims, proceedings or demands means any **claims, privacy regulatory proceedings or foreign jurisdiction demands** arising out of or in any way involving the same **error or omission, information risk incident, communication incident, incident, bodily injury, property damage** or violation of a **privacy regulation**, or any part of a **related circumstance**.

MMM. Related first-party incidents means all **first-party incidents** that have in common any fact, circumstance, situation, event, transaction, cause or series of related facts, defects or failure to warn of defects, circumstances, situations, events, transactions or causes.

NNN. Satellite means an artificial body, including any attached objects or objects intended to be attached, that is designed to be placed in orbit around the earth or another celestial body.

OOO. Scientific advisory board:

1. Means any person or group of people acting in the capacity of an advisor or consultant in review of the design, development or testing of **your product**.
2. Does not include a **vendor** or any organization or person considered a supplier.

PPP. Security failure means a failure or violation of the security of **your network**, including that which results in or fails to mitigate:

1. Any access or use of **your network** by unauthorized persons, including access or use by a person in a manner that exceeds their authority;
2. **Denial of service attack**; or
3. Receipt or transmission of a malicious code.

QQQ. Service provider:

1. Means any entity with whom you have entered into a written contract or agreement to provide a service to support **your product** or **your work**, but only for activities within the scope of that contract or agreement that are performed on your behalf.
2. Does not include any person or entity that provides any **critical infrastructure** (as defined in Exclusion 2. of **B. EXCLUSIONS APPLICABLE TO LIABILITY COVERAGES 1 ERRORS OR OMISSIONS, 2 INFORMATION RISK, 3 COMMUNICATION AND 4 PRIVACY REGULATORY PROCEEDING AND FIRST-PARTY COVERAGES OF SECTION II – EXCLUSIONS**), regardless of whether they are otherwise listed in the schedule of any endorsement that may be attached to your policy, including but not limited to the *Net Business Income and Extra Expense Coverage – Security Failures and Outages – Contingent Services Provider Extension*.

RRR. Subsidiary means any entity, other than a joint venture or a partnership, that is not listed as a Named Insured and in which the Named Insured maintains more than a 50% or a controlling ownership interest.

SSS. Vendor:

1. Means a person or organization in the business of selling, distributing, demonstrating, or providing training on, of or for **your product**.
2. Does not include any:
 - a. **Clinical trial** independent contractor, **contract manufacturing organization** or **contract research organization**; or
 - b. Person or organization providing health care professional services or treatment or from whom you have acquired **your product**.

TTT. Volunteer worker means a person who is not your **employee**, acts at the direction of and within the scope of duties determined by you and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

UUU. Waiting period means the number of consecutive hours shown in the Declarations that must elapse after the actual and measurable interruption, failure or shutdown caused by or resulting from a **network disruption**.

VVV. Withdrawal expense:

1. Means only those reasonable expenses incurred for a **covered recall** of **your product** and necessary for:
 - a. Communications to announce the recall, including **advertisements**, and related production costs, including printing, stationary, envelopes and postage;
 - b. Shipping **your product** from any purchaser, distributor or user to a place designated by you;
 - c. Reimbursing your **employees** for expenses incurred for transportation or accommodations to complete reasonable and necessary on-site repairs;
 - d. Amounts:
 - (1) Paid as necessary overtime to your regular **employees**; or
 - (2) To hire and pay additional temporary workers other than your regular **employees**; to perform the actions in Paragraphs a., b. or c. above;
 - e. Renting additional warehouse or storage space to store **your product** that has been recalled, for no longer than one year from the date of the **covered recall**; or
 - f. Proper disposal of **your product** if the disposal is necessary to avoid **bodily injury** and is not regularly used to discard trash or dispose of **your product**.
2. Does not include the following:
 - a. **Damages, defence expenses, foreign jurisdiction expenses, medical expenses, mitigation expenses, medical monitoring expenses**, fines or penalties; or
 - b. Any expenses resulting from:
 - (1) Failure of **your product** to accomplish its intended purpose;
 - (2) Breach of warranties of fitness, quality, durability or performance;
 - (3) Loss of or regaining customer approval, market share, goodwill, revenue or profit;
 - (4) The insured's caprice or whim;
 - (5) Removing **your product** from a person in whom that product has been medically implanted;
 - (6) **Your product** exceeding its designated shelf life;
 - (7) Redistribution or replacement of **your product** that was recalled with like products or substitutes or the costs for any parts to effectuate repairs;
 - (8) A condition any insured knew, or had reason to know, of at the inception of this policy that was likely to cause loss;
 - (9) Recall of **your product** that has no known or suspected defect solely because a known or suspected defect has been found in another of **your products**; or
 - (10) Deterioration, decomposition or transformation of a chemical nature unless caused by an error in the design, manufacturing, processing, packaging, handling, distributing, labeling, storage or transportation of **your product**.
 - c. However, solely for purposes of First-Party Coverage 9 Mitigation and Medical Monitoring Expense, when the term **withdrawal expenses** is used in Paragraph 3.a. of the definition of **mitigation expense**, Paragraph 2. of this definition of **withdrawal expense** does not apply.

WWW. Your network means any network of computers owned, leased or operated by an insured in support of **your product** or **your work**.

XXX. Your product:

1. Means:
 - a. Any goods or products, other than real property, manufactured, leased, licensed, rented, marketed, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
2. Includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**;
 - b. The providing of or failure to provide warnings or instructions for the use of **your product**;
 - c. **Your product** that is tested or used by or for you in a **clinical trial**; and
 - d. If the First Named Insured is a **contract research organization**, any goods or products, other than real property, developed, tested or designed by you for others.

YYY. Your work:

1. Means:
 - a. Work performed by you or on your behalf solely in connection with **your product** or your **clinical trial**, including demonstration, testing, review, installation, maintenance or repair of **your product**;
 - b. Solely with respect to Liability Coverage 1 Errors or Omissions, services or activities performed for others by you or on your behalf; and
 - c. Materials, parts or equipment furnished in connection with that work.
2. Includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
 - b. The providing of or failure to provide warnings or instructions for the use of **your work**.

SECTION VIII – CONDITIONS

A. APPRAISAL OF NET BUSINESS INCOME LOSS

If either us or the First Named Insured disagrees on the amount of **net business income loss** or **extra expense** under First-Party Coverage 6, either may make a written demand for an appraisal of the amount of **net business income loss** and **extra expense**. If either us or the First Named Insured makes such a demand, each will select a competent and impartial appraiser and notify the other of the appraiser's identity within twenty (20) business days of such demand. The two appraisers will then select a competent and impartial umpire. If the appraisers cannot agree on an umpire, they may request that selection be made by a judge of a court having jurisdiction. The appraisers will determine and state separately the amount of **net business income loss** and **extra expense**. If the appraisers agree on the amount of **net business income loss** and **extra expense**, the amount agreed upon will be binding as to the amount of **net business income loss** and **extra expense**. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. A written agreement on the amount of **net business income loss** and **extra expense**, itemized and signed by any two of the three will be binding as to the amount of **net business income loss** and **extra expense**. Each appraiser will be paid by the party that selected such appraiser, and the compensation of the umpire and other expenses of appraisal will be shared equally. Regardless of this appraisal condition, we retain our right to deny coverage.

B. BANKRUPTCY

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

C. CANCELLATION AND NON-RENEWAL

1. The First Named Insured may cancel this policy by mailing or delivering us written notice stating when the cancellation will be effective. If no date is specified, cancellation is effective upon receipt of the notice.
2. We may cancel this policy by mailing written notice of cancellation by registered mail or personally delivering it to the First Named Insured at the last mailing address known to us, stating the reason for and effective date of cancellation. Except in Quebec, if notice is mailed, cancellation takes effect:
 - a. Fifteen (15) days after receipt of notice if cancellation is for non-payment of premium; or
 - b. Sixty (60) days after receipt of notice if cancellation is for any other reason.Proof of mailing will be sufficient proof of notice.
3. In Quebec, cancellation takes effect:
 - a. Fifteen (15) days after receipt of notice if cancellation is for non-payment of premium; or
 - b. Sixty (60) days after receipt of notice if cancellation is for any other reason;at the last known address of the First Named Insured.
4. The fifteen (15) and thirty (60) days mentioned in Paragraphs 2. and 3. above commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.
5. If this Policy is cancelled by the First Named Insured, we will send the First Named Insured any premium refund due, such refund will be computed pro rata. The cancellation is effective even if we have not made or offered a refund.
6. If we cancel for non-payment of premium, we shall have the right to require payment for the pro-rated amount owed by the First Named Insured.
7. If we elect not to renew the Policy, we will provide the First Named Insured written notice of non-renewal, at least sixty (60) days prior to the expiry of the Policy. Renewal terms which differ in any manner from the terms, conditions and premium of the expiring Policy shall not constitute a refusal to renew.

D. CHANGE IN RISK

If, during the Policy Period shown in the Declarations:

1. An insured becomes a member of a new joint venture or a partner in a new partnership, there will be no coverage available under this policy for any **claim, privacy regulatory proceeding, foreign jurisdiction demand, damages, defence expenses, privacy regulatory fines, consumer redress funds, medical expenses, foreign jurisdiction expenses** or **first-party losses** arising out of or in any way involving such joint venture or partnership, unless:
 - a. The First Named Insured gives us information we request regarding the joint venture or partnership;
 - b. We agree in writing to provide coverage with respect to the joint venture or partnership and add it as a Named Insured under this policy; and
 - c. The First Named Insured accepts any terms, conditions, exclusions or limitations, including payment of additional premium, as we, in our sole discretion, require.

2. The First Named Insured undergoes a **material change in organization**:
 - a. We will deem the newly acquired or formed **subsidiary** or the merged or consolidated entity an insured but only:
 - (1) For 90 days after the effective date of the **material change in organization**; and
 - (2) If such **subsidiary** or merged or consolidated entity has no other similar insurance.
 - b. We will provide no coverage under this policy for the newly acquired or formed **subsidiary** or the merged or consolidated entity beyond 90 days after the effective date of the **material change in organization**, unless:
 - (1) The First Named Insured gives us information we request regarding the **material change in organization**;
 - (2) We agree in writing to provide coverage for such **subsidiary** or entity and add it as an insured under this policy; and
 - (3) The First Named Insured accepts any terms, conditions, exclusions or limitations, including payment of additional premium, as we, in our sole discretion, require.
 - c. Under Paragraph a. or b. above, coverage for such **subsidiary** or merged or consolidated entity will apply only for **errors or omissions, information risk incidents, communication incidents, violations of privacy regulations, incidents, clinical trial accidents or first-party incidents** that first occur after the effective date of the **material change in organization**.
3. The First Named Insured newly acquires or forms a **subsidiary** whose annual revenues are equal to or less than the percentage, stated in the definition of **material change in organization**, of the First Named Insured's total annual revenues, such **subsidiary** will qualify as an insured, but only:
 - a. For **errors or omissions, information risk incidents, communication incidents, violations of privacy regulations, incidents, clinical trial accidents or first-party incidents** that first occur after the effective date of the First Named Insured's acquisition or formation of such **subsidiary**; and
 - b. If such **subsidiary** has no other similar insurance.
4. Any of the following events occur:
 - a. The First Named Insured is dissolved, sold, acquired by, merged into or consolidated with another entity and the First Named Insured is not the surviving entity; or
 - b. A third-party receiver, conservator, trustee, liquidator, rehabilitator or any similar official is appointed for or with respect to the First Named Insured;
 this policy will only apply to an **error or omission, information risk incident, communication incident, incident, clinical trial accident, violation of a privacy regulation or first-party incident** that first occurs before the date of the event under Paragraphs a. or b. above.
5. Any of the following events occur:
 - a. Any entity that qualified as a **subsidiary** at the inception date of this policy ceases to qualify as a **subsidiary**;
 - b. Any Named Insured, other than the First Named Insured, is dissolved, sold, acquired by, merged into or consolidated with another entity and the Named Insured is not the surviving entity;
 - c. The First Named Insured's beneficial or legal ownership interest in any Named Insured becomes less than 50%; or
 - d. Third-party receiver, conservator, trustee, liquidator, rehabilitator or any similar official is appointed for or with respect to any Named Insured, other than the First Named Insured;
 then with respect to such Named Insured or **subsidiary**, including any person or organization qualifying as an insured because of such Named Insured or **subsidiary**, this policy will only apply to an **error or omission, information risk incident, communication incident, incident, clinical trial accident or violation of a privacy regulation** that first occurs before the date of the event under Paragraphs a., b., c. or d. above.

E. CHANGES TO POLICY

This policy contains all the agreements between you and us concerning the insurance afforded. The First Named Insured may, with our consent, make changes in the terms of this policy, including exercising or declining to exercise any Extended Reporting Period. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

F. COVERAGE TERRITORY

1. This policy applies to an **error or omission, information risk incident, communication incident, bodily injury, property damage, incident, clinical trial accident or violation of a privacy regulation** that takes place anywhere in the world.
2. This policy applies to a **first-party incident** that takes place anywhere in the world.
3. If any covered amounts are sustained or incurred in currency other than Canadian dollars, the amounts will be converted into Canadian dollars according to the prevailing rate of exchange:
 - a. At the time of judgment or settlement for **damages** or final order or imposition of **privacy regulatory fines** or **consumer redress funds**; or
 - b. On the day before we pay any other amounts, including **defence expenses, foreign jurisdiction expenses, medical expenses or first-party loss**.

G. DEFENCE AND SETTLEMENT

1. We have the right and duty to defend any **claim** seeking those **damages**, any **privacy regulatory proceeding** seeking those **privacy regulatory fines** or **consumer redress funds** or any **foreign jurisdiction demand** seeking **foreign jurisdiction expenses**, to which this insurance applies. If we would have the duty to defend a **foreign jurisdiction demand** or a **claim** or **privacy regulatory proceeding** brought outside Canada or its territories or possessions, but the jurisdiction does not allow for a defence to be provided by us, then we will instead indemnify you for covered **damages, privacy regulatory fines, consumer redress funds, foreign jurisdiction expenses and defence expenses**. We have the right, but not the duty, to defend any **claim, privacy regulatory proceeding or foreign jurisdiction demand** seeking **non-monetary relief**.
We may, at our discretion, investigate any **error or omission, information risk incident, communication incident, bodily injury, property damage, incident, clinical trial accident or violation of a privacy regulation** and settle any resulting **claim, privacy regulatory proceeding or foreign jurisdiction demand**.
2. Our right and duty to defend ends when the applicable Limit of Insurance is exhausted by the payment of **damages, defence expenses** (except to the extent required under the insurance laws of the province of Quebec regarding **defence expenses**), **privacy regulatory fines, consumer redress funds or foreign jurisdiction expenses**.

H. DUTIES IN THE EVENT OF A FIRST-PARTY INCIDENT – FIRST-PARTY COVERAGES

1. **All First-Party Incidents**
 - a. You must give us written notice of any **first-party incident** as soon as reasonably practicable, but no later than 30 days after any member of the **control group** first discovers or is made aware of such **first-party incident**.
 - b. You and any other involved insured must:
 - (1) Notify the police if the **first-party incident** involves a violation or possible violation of the law;
 - (2) Submit to examination under oath at our request, while not in the presence of any other insured, and give us a signed statement of your answers;
 - (3) As often as reasonably requested, permit us to inspect the **insured's network** and **your product**, and examine and make copies of your books and records;
 - (4) Send us a detailed, signed sworn proof of loss as soon as reasonably practicable, and no later than 60 days after our request; and
 - (5) Cooperate with us in the investigation and settlement of the **first-party incident**.
 - c. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

d. Additionally, with respect to First Party Coverage 6, you must:

- (1) Take all reasonable steps to protect **your network** from further **network disruption**;
- (2) Keep a record of your expenses necessary to protect **your network** for consideration in the settlement of the claim; and
- (3) If feasible, set aside, in the best possible order for examination, all or any part of **your network** involved in the **network disruption**.

2. Covered Recalls

You must also see to it that the following are done as soon as practicable after an actual or anticipated **covered recall** that may result in **withdrawal expense**:

- a. Give us notice of any discovery or notification that **your product** must be withdrawn or recalled, including a description of **your product** and the reason for the withdrawal or recall;
- b. If recall of **your product** is required, cease any further release, shipment, consignment or any other method of distribution of that product, as well as any similar products, until it has been determined that all of those products are free from defects that could result in **withdrawal expense**; and
- c. As often as reasonably requested, permit us to take damaged and undamaged samples of **your product** for inspection, testing and analysis.

3. Crisis Management Events

You must also provide us the following as soon as practicable after an actual or anticipated **crisis management event** that may result in **crisis management expense**:

- a. A description of the circumstances leading to, and explanation of the reasons for, the **crisis management event**; and
- b. Any actual or anticipated **crisis management expense** or other injury or loss resulting from the **crisis management event**.

4. Mitigation and Medical Monitoring Expense

If you are seeking **mitigation expense** or **medical monitoring expense**, you must give us notice of the following as soon as practicable after a **circumstance** that may result in **mitigation expense** or **medical monitoring expense**:

- a. A description of the **circumstance** leading to, and explanation of the reasons for, any **mitigation expense** and **medical monitoring expense**; and
- b. A description and explanation of any actual or anticipated **mitigation expense** and **medical monitoring expense** or other injury or loss resulting from the **circumstance**.

I. DUTIES IN THE EVENT OF A CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES

1. You must give us written notice of any **claim, privacy regulatory proceeding or foreign jurisdiction demand** as soon as reasonably practicable after any member of the **control group** first becomes aware of the **claim, privacy regulatory proceeding or foreign jurisdiction demand**.
2. You and any other involved insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim, privacy regulatory proceeding or foreign jurisdiction demand**;
 - b. Authorize us to obtain records and other information;
 - c. Cooperate with us in the investigation, defence or settlement of the **claim, privacy regulatory proceeding or foreign jurisdiction demand**; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply.
3. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

J. DUTIES IN THE EVENT OF A POTENTIAL CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES

1. You must give us notice of any **advisory memorandum**, Type 1 (in Canada) or Class 1 (in the United-States of America) recall, serious warnings and precautions box, a black-box label or boxed warning or any other similar recalls or warnings. If an **advisory memorandum**, Type 1 (in Canada) or Class 1 (in the United-States of America) recall, serious warnings and precautions box, black-box label or boxed warning or any similar recalls or warnings results in any subsequent **claims or foreign jurisdiction demands**, then all **related claims, proceedings or demands** will be deemed a single **claim or foreign jurisdiction demand** made or brought at the time we received notice from you of such **advisory memorandum**, Type 1 (in Canada) or Class 1 (in the United-States of America) recall, serious warnings and precautions box, black-box label or boxed warning or any similar recall or warning, regardless of Paragraph P. **RELATED CLAIMS, PROCEEDINGS OR DEMANDS – LIABILITY COVERAGES** below.
2. If, during the Policy Period shown in the Declarations, a member of the **control group** first becomes aware of a **circumstance or incident**, and written notice of such **circumstance or incident** is provided to us as soon as reasonably practicable stating the reason for anticipating a **claim, privacy regulatory proceeding or foreign jurisdiction demand**, and describing:
 - a. The specific **error or omission, information risk incident, communication incident, bodily injury, property damage** or violation of a **privacy regulation**;
 - b. The dates and individuals involved;
 - c. The identities of anticipated or possible claimants; and
 - d. The circumstances by which you first became aware of the **circumstance or incident**;then any covered **claim, privacy regulatory proceeding or foreign jurisdiction demand** subsequently made or brought against you and arising out of that **circumstance or incident** will be deemed made when we receive notice from you of such **circumstance or incident**.

K. ECONOMIC AND TRADE SANCTIONS

In accordance with laws and regulations of Canada concerning economic and trade sanctions, this policy does not provide coverage if any term or condition violates any laws or regulations of Canada concerning economic and trade sanctions, including but not limited to:

1. Any insured, or any person or entity claiming the benefits of an insured, who is or becomes a Designated Person or a Politically Exposed Foreign Person or who is otherwise subject to Canadian economic or trade sanctions;
2. Any **claim, privacy regulatory proceeding or foreign jurisdiction demand** made or brought:
 - a. In a Sanctioned Country or by a Sanctioned Country Government, where any action in connection with that **claim, privacy regulatory proceeding or foreign jurisdiction demand** is prohibited by Canadian economic or trade sanctions; or
 - b. By any Designated Person or a Politically Exposed Foreign Person or any person or entity who is otherwise subject to Canadian economic or trade sanctions;
3. Property that is located in a Sanctioned Country or that is owned by, rented to or in the care, custody or control of a Sanctioned Country Government, where any activities related to the property are prohibited by Canadian economic or trade sanctions; or
4. Property that is owned by, rented to or in the care, custody or control of a Designated Person or a Politically Exposed Foreign Person, or any person or entity that is otherwise subject to Canadian economic or trade sanctions.

A Designated Person or a Politically Exposed Foreign Person is any person or entity that is included in a regulation enacted under the *Special Economic Measures Act*, (S.C. 1992, c.17), the *United Nations Act*, (R.S.C., 1985, c.U-2), or the *Freezing Assets of Corrupt Foreign Officials Act* (S.C. 2011, c.10), as they may be from time to time amended.

A Sanctioned Country is a country that is the subject of trade or economic sanctions imposed by the laws or regulations of Canada and includes countries on the Area Control List provided under the *Export and Imports Permits Act* (R.S.C., 1985, c.E-19).

L. LEGAL ACTION AGAINST US

No person or organization has a right under this policy:

1. To join us as a party or otherwise bring us into a **claim** or **privacy regulatory proceeding** against an insured; or
2. To sue us under this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial, but we will not be liable for **damages** that are not payable under this policy or are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

Every action or proceeding against an insurer for the recovery of insurance money payable under contract is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation.

M. NOTICES AND PREMIUMS

The First Named Insured will act on behalf of all insureds for any notice given or received under this policy, paying additional premium or accepting return premium.

N. NON-STACKING OF COVERAGE UNDER MULTIPLE POLICIES OR COVERAGE FORMS

If there is coverage under multiple policies or coverage forms that we or any of our affiliates have issued to an insured for any:

1. **Claims, privacy regulatory proceedings, foreign jurisdiction demands or damages, medical expenses, foreign jurisdiction expenses, privacy regulatory fines, consumer redress funds or defence expenses** arising out of them; or
2. **First-party incidents** and any **first-party loss** arising out of those **first-party incidents**;
we will pay no more than the maximum Limit of Insurance available for a single policy period under the single coverage within a single policy or coverage form that provides the greatest applicable Limit of Insurance. This condition does not apply to any policy or coverage form written specifically by us or one of our affiliates as excess of this insurance.

O. OTHER INSURANCE

This insurance is excess over any other valid and collectible insurance that is available to the insured for a loss we cover under this policy, unless that other insurance is written specifically as excess of this insurance. However, this excess other insurance provision does not apply if this insurance is primary and non-contributory with other insurance available to an additional insured under Paragraph C.1.c. of **SECTION III – WHO IS AN INSURED**.

P. RELATED CLAIMS, PROCEEDINGS OR DEMANDS – LIABILITY COVERAGES

1. For Liability Coverages **1** Errors or Omissions, **2** Information Risk, **3** Communication and **4** Privacy Regulatory Proceeding, all **related claims, proceedings or demands**, whenever made or brought, are deemed a single **claim** or **privacy regulatory proceeding** first made or brought at the earlier of:
 - a. When the first of all those **related claims, proceedings or demands** was made or brought; or
 - b. When the earliest of all those **related claims, proceedings or demands** is deemed made or brought under Paragraph X. **WHEN A CLAIM, PROCEEDING OR DEMAND IS MADE – LIABILITY COVERAGES** below.
2. For Liability Coverage **5** Products-Completed Operations Hazard, if a **claim** or **foreign jurisdiction demand** is made and you or we declare in writing that such **claim** or **foreign jurisdiction demand** is likely to give rise to subsequent **related claims, proceedings or demands**, all subsequent **related claims, proceedings or demands** will be deemed a single **claim** or **foreign jurisdiction demand** made at the time of such declaration. In the event we make such a declaration under Liability Coverage **5**, then this Paragraph **2.** will also apply to all subsequent **related claims, proceedings or demands** under Liability Coverages **1** Errors or Omissions, **2** Information Risk, **3** Communication and **4** Privacy Regulatory Proceeding unless a **claim** under Liability Coverages **1, 2, 3** or **4** was already first made and accepted for coverage under a policy before such **claim** or **foreign jurisdiction demand** was made under Liability Coverage **5**.

Q. REPRESENTATIONS AND INCORPORATION OF APPLICATION

1. By accepting this policy, you and all insureds represent and agree that the application and any statements or representations contained in any application or any other materials submitted for this policy:
 - a. Are accurate and complete regardless of whether we provided the application or materials;
 - b. Form the basis for, and have been relied upon by us in issuing, this policy; and
 - c. Are incorporated into and form a part of this policy.
2. We will not impute to another insured knowledge of any material statement, misrepresentation or omission in the application or other materials submitted for this policy unless the material statement, misrepresentation or omission is:
 - a. Known to the person or persons who signed the application; or
 - b. Made by or with the consent or knowledge of any member of the **control group**.
3. This policy is void with respect to any insured that knew of any material misstatement, misrepresentation or omission in the application or other materials submitted for this policy.

R. RISK MANAGEMENT

We may provide or make available risk management services in connection with this policy for the purpose of managing and reducing risks covered by the policy. We have no obligation to provide or make available any services, however, and any of those services may cease or change at any time. If you agree to accept such services, they shall be provided by an independent provider and shall be documented in a written agreement between you and the provider. We are not and will not be a party to that written agreement and do not make any representation or warranty as to the services provided.

S. SEPARATION OF INSURED

Except with respect to the Limits of Insurance, Exclusions and any rights or duties specifically assigned in this Coverage Part to the First Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom a **claim, privacy regulatory proceeding** or **foreign jurisdiction demand** is made or brought.

T. STATUTORY CONFORMITY

The terms of this insurance that are in conflict with the terms of any applicable laws construing this insurance are amended to conform to such laws.

U. SUPPLEMENTARY PAYMENTS – LIABILITY COVERAGES

We will pay, with respect to any **claim, privacy regulatory proceeding** or **foreign jurisdiction demand** we investigate, settle or defend:

1. All expenses, other than **defence expenses**, that we incur.
2. The cost of appeal bonds for a covered **claim, foreign jurisdiction demand** or **privacy regulatory proceeding** if we exercise our right to bring that appeal.
3. Prejudgment interest awarded against the insured on that part of any judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay prejudgment interest based on that period of time after the offer.
4. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

5. Up to \$1,000 per day in actual lost earnings incurred by the insured due to time taken off from work at our request and in support of our investigation or defence of a **claim, privacy regulatory proceeding or foreign jurisdiction demand**, subject to a maximum amount of \$25,000 per **claim, privacy regulatory proceeding or foreign jurisdiction demand**.

These payments will not reduce the Limits of Insurance.

V. TRANSFER OF RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative.

W. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

1. If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring or make a **claim** or transfer those rights to us and help us enforce them. Any recovery will be paid first to us until all amounts we have paid under this policy have been reimbursed. The insured expressly waives the right to be made whole by any recovery.
2. However, we will waive any right of recovery we may have against any person or organization because of payments we make for **bodily injury or property damage** arising out of **your product or your work** and included in the **products-completed operations hazard** if:
 - a. You have agreed in a written contract or agreement with that person or organization to waive your right to recovery; and
 - b. The contract or agreement is executed before the **bodily injury or property damage** occurs.

X. WHEN A CLAIM, PROCEEDING OR DEMAND IS MADE – LIABILITY COVERAGES

A **claim, privacy regulatory proceeding or foreign jurisdiction demand** is deemed to have been made at the earlier of the following times:

1. When notice of the **claim, privacy regulatory proceeding or foreign jurisdiction demand** is received by any member of the **control group** or by us, whichever comes first; or
2. When the **control group** first became aware of a **circumstance or incident** if you gave us written notice in accordance with Paragraphs **H. DUTIES IN THE EVENT OF A FIRST-PARTY INCIDENT – FIRST-PARTY COVERAGES** or **J. DUTIES IN THE EVENT OF A POTENTIAL CLAIM, PROCEEDING OR DEMAND – LIABILITY COVERAGES** above.