



2450 Girouard Street West
Saint-Hyacinthe, Qc J2S 3B3

Professional Liability Insurance
Declarations Page
PROTEC PRO
Policy

Name and Postal Address of the Named Insured

SPECIMEN

Professional Liability (Errors and Omissions)

General Information

Object of Document

Policy Period

12h01 A.M. local time at the postal address shown above

Professional Services

As described in Section 5 - Definitions

Broker


La Turquoise Pro (3942)
481 Route 131, C.P.338
Joliette QC J6E 3Z6

Total Premium

Retroactive date

Not applicable

SPECIMEN



Jean-François Desautels
Senior Vice President, Québec Division

Policy

Professional Liability (Errors and Omissions)

In accepting the present policy, the Insured and the Beneficiary, if any, recognize as cancelled, as from the effective date of this policy, the previous policies stated in the Declarations which are replaced by this policy, including all renewals attaching thereto.

TRANSFER - WAIVER - CANCELLATION

Transfer : for value received, I hereby, transfer and surrender to:

New Owner _____
 Address _____
 Mortgagee _____
 Address _____

all my rights, titles and interest in this Policy, as well as all advantages resulting therefrom.

The Insurer accepts the above transfer, subject to the terms, provisions and conditions of said Policy and Endorsements attached thereon, but if the transfer is effected in favor of a Mortgagee or as a subsidiary guarantee, the insurance under this Policy will remain in the name of the Insured and in case of loss, indemnity will be payable to the Beneficiary, as per his interests.

PERSON AUTHORIZED FOR THIS PURPOSE

Waiver of Interest : I hereby declare having no further interest in this Policy.

Cancellation : In consideration of a return premium, if any, this Policy and Renewal (if any) are cancelled and surrendered to the Insurer.

In force			Reason	New policy no. If replaced	(\$) Return premium
Day	Month	Year			

To be completed by the broker

Cancellation method S/E P/R

Insured

Mortgagee

Date

Date

Policy

Professional Liability (Errors and Omissions)

Coverage Details

Insurance is provided subject to the Declarations, Terms and Conditions of the Policy, its Forms, Limits of Liability and Deductible shown hereunder. Unless otherwise stated in a Form, a Deductible amount will only apply where a value is indicated below.

Coverage	Form	\$ Deductible	\$ Amount
1. Professional Liability (Errors and Omissions) Insurance Policy Protec Pro - Limit of Liability and Deductible Amount (Each Loss) - Limit of Liability (Aggregate Limit)	Manuscript RPOQa)		
2. Directors and Officers Liability - Limit of Liability and Deductible Amount (Each Loss) - Limit of Liability (Aggregate Limit)	D&O	None	250 000 250 000
3. Cyber-risk – Privacy breach - Limit of Liability and Deductible Amount (Each Loss) - Limit of Liability (Aggregate Limit)	Cyber	None	250 000 250 000
4. Employee Benefit Programs – Liability Insurance Endorsement - Limit of Liability and Deductible Amount (Each Loss) - Limit of Liability (Aggregate Limit)	SFARAS-1	None	250 000 500 000

Additional Conditions

Emergency Number

If you have a serious loss after regular business hours,
please call:

1 866 464 2424

PROFESSIONAL LIABILITY INSURANCE FOR REPRESENTATIVE ACTING ON BEHALF OF A FIRM
WITHOUT BEING AN EMPLOYEE, A FIRM, AN INDEPENDENT REPRESENTATIVE OR AN
INDEPENDENT PARTNERSHIP, WITH EXTENDED COVERAGE FOR CLAIMS RESULTING FROM
FRAUDULANT ACT*

*IN THOSE PROVINCES WHERE THE LAW REQUIRES SUCH COVERAGE.

Except to such extent as may otherwise be provided herein, the coverage of this policy is limited to liability for only those **claims** that are first made against the **Insured** and reported to the Insurer while the policy is in force.

IMPORTANT NOTICE: The **Insured** must never voluntarily admit his liability and must follow the directions of the Insurer as soon as a notice of claim shall have been forwarded to the Insurer. No settlement made without the consent of the Insurer may be set up against the latter.

In consideration of the payment of the premium and based on the information contained in the application forming part of this policy, Intact Insurance (hereinafter called "the Insurer") agree as follows with the **Insured** named in the Declarations and subject to the terms, definitions, exclusions and conditions of this policy.

INSURING AGREEMENT

COVERAGE

The Insurer shall pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay to third parties as **damages** pursuant to a judgment rendered in Canada or a settlement made in order to avoid a suit or a judgment in Canada as a result of a **claim**:

- (a) in the case of a firm, arising from the fault, errors, negligence, or omissions committed in the pursuit of its **professional activities** and from those committed by its mandataries or agents, its employees or the trainees of its representatives, in the performance of their duties, regardless of whether or not such persons still perform such duties on the date of the **claim**;
- (b) in the case of a an independent partnership, arising from the fault, errors, negligence, or omissions committed in the pursuit of **professional activities** of its partners and the representatives in its employ and from those committed in the pursuit of their **professional activities** by their mandataries or agents, their employees or the trainees of the partners and representatives in its employ, regardless of whether or not such persons still perform such duties on the date of the **claim**.
- (c) in the case of an independent representative, arising from the fault, errors, negligence, or omissions committed in the pursuit of his **professional activities**, and from those committed by his mandataries or agents, his employees or his trainees in the pursuit of their **professional activities**, regardless of whether or not such persons still perform such duties on the date of the **claim**;
- (d) in the case of a representative acting on behalf of a firm without being an employee, arising from any fault, errors, negligence, or omissions committed by the representative in the pursuit of his **professional activities** as a representative, or from those committed by the representative's mandataries or agents, employees or trainees in the pursuit of their **professional activities**, regardless of whether or not such persons still perform such duties on the date of the **claim**.

2. DEFENCE, SETTLEMENT, PAYMENTS

If you are sued for **damages** covered by this policy, the Insurer:

- (a) has a duty to defend any suit or arbitration proceeding against the **Insured** even if any of the allegations of the suit are groundless.

The Insurer, however, reserves the right to act with respect to the investigation, compromise or settlement of any **claim** or suit as it deems expedient, but shall not proceed with any settlement without the written consent of the **Insured**;

- (b) shall pay or reimburse over and above the limit of this policy:
 - (i) all premiums on bonds to release attachments for an amount not in excess of the limit of liability of this policy;

- (ii) all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for, or furnish, such bonds;
- (iii) all costs taxed against the **Insured** in any civil action defended by the Insurer and any interest accruing after the date of the judgment (or, as of another date, in those jurisdictions where the statute prescribes interest to be payable from some other date), upon that part of the judgment which falls within the limit of the Insurer's liability.

3. POLICY PERIOD AND SCOPE OF COVERAGE

Except as otherwise specified herein, this policy applies only:

- (a) to faults, errors, negligence or omissions committed by the **Insured** while discharging his **professional activities** in Canada, and which result in a **claim** or suit in Canada against the **Insured** and, subject to the provisions of this policy, reported to the Insurer during the **policy period**, or
- (b) to **claims** or suits arising from faults, errors, negligence or omissions which occurred prior to the effective date of the policy and then only if such **claims** are made against the **Insured** and reported to the Insurer during the **policy period**, provided that no **Insured** had any knowledge of such prior fault, error, negligence, omission or allegation at the effective date of the policy, and that there is no other insurance applicable to such fault, error, negligence, or omission or allegation.

4. NOTICE TO THE INSURER:

The **Insured** shall immediately, upon being informed of a fault, an error, negligence or a **claim** or any allegation thereof, even if groundless or false, give written notice thereof to the Insurer as soon as possible, together with such particulars as may then be known. If suit is brought, the **Insured** shall immediately forward to the Insurer any legal proceedings received by the Insured.

Failure to provide such notice, where the Insurer is prejudiced thereby, shall result in a lapsing of the coverage.

If, during the **policy period**, notice is given to the Insurer of facts or circumstances whereby the liability of the **Insured** may be incurred and suit is not brought until after the expiry of such period, the Insurer shall consider the **claim** to have been made during the period in which notice was given.

5. DEFINITIONS

- a) The term "**Insured**", used without any qualification, includes the named Insured, its mandataries and agents, employees or trainees of representatives in its employ, present or past, in the discharge of their duties as such, and, in the event of death, incapacity, insolvency or bankruptcy, their heirs, legal representatives or assigns;
- b) The term "**damages**", whenever used in this policy, shall mean compensatory **damages** only and does not include punitive or exemplary **damages**, fines, penalties or the restitution or reimbursement of fees or commissions;
- (c) the expression "**policy period**" shall mean the period stated in the Declarations or any lesser period in the event of the cancellation of the policy;
- (d) the expression "**professional activities**" shall mean the services arising from the activities of a representative acting on behalf of a firm and who is not an employee thereof, of an independent representative, of a firm or an independent partnership, to the extent that these services are performed in compliance with the applicable provisions of the *Act respecting the distribution of financial products and services*, any amendments and regulations thereto, and to the extent that the **Insured** holds all the permits required thereunder, including, without limitation:
 - (i) activities relating to the sale of life insurance, annuities, accident and sickness insurance, hospitalization or medical expense insurance, group insurance, employee benefit administration services agreements;
 - (ii) activities relating to the sale of variable annuities and variable life insurance contracts providing for participation in life insurance company segregated investment accounts;
 - (iii) activities relating to advice on financial planning for individuals, estate plans, employee benefit plans, group insurance and annuity plans, pension plans, profit-sharing plans, retirement annuities, life, health and disability insurance plans, including ancillary funds relating to any of the foregoing

The expression "**ancillary funds**", as used herein, shall mean a fund consisting of property other than insurance contracts such as investment securities of banks and trust companies;

- (iv) activities relating to the sales of segregated or group savings funds (mutual funds), including group Registered Retirement Savings Plans, deferred profit-sharing plans and registered retirement income funds;
 - (v) activities relating to sales management or supervisory positions in the life, accident and health insurance business or **damage** insurance business;
 - (vi) activities relating to **damage** insurance;
 - (vii) activities relating to real estate brokerage restricted to loans secured by immovable property;
 - (viii) activities relating to the brokerage of investment contracts;
 - (ix) activities relating to the brokerage of scholarship plans;
 - (x) activities of preparation of statements of income for tax returns..
- (e) the term "**pollutants**" shall mean any contaminating or irritating agent, whether solid, liquid, gaseous or thermal, and, more particularly, smoke, vapours, soot, fumes, acids, alkalis, chemical products and waste. Waste shall include material to be recycled, reconditioned or reclaimed;
 - (f) the terms "**claim and claims**" shall mean any verbal or written monetary demand, as well as any verbal or written allegation received by the **Insured**, including, in particular, any complaint made against him and relating to the failure to render professional services or to a fault, an error, negligence or an omission in rendering such services;
 - (g) the term "**loss**" shall mean one or more **claims** resulting from the same circumstances or the same events relating to professional services which were or should have been rendered to one or more persons.

6. EXCLUSIONS

This policy shall not apply to **claims** based on, attributable to or arising out of:

- (a) the insolvency, failure or bankruptcy of the **Insured** or of any other person, firm, corporation or organization;
- (b) the liability of others assumed by an **Insured** under a contract or agreement except to the extent that the **Insured** shall hold harmless others for liability arising out of the performance of its professional services. This exclusion shall not apply when the **Insured**, by way of contract, assumes professional liability for its own employees;
- (c) the ownership, maintenance or use of aircraft, watercraft, an automobile or a vehicle;
- (d) any fraudulent, dishonest or criminal act or an intentional fault; however, when the only allegations included in the **claim** pertain to fraudulent, dishonest or criminal acts or to an intentional fault, and such **claim** lapses without payment having been demanded from the **Insured**, the Insurer shall reimburse retroactively all reasonable amounts incurred by the **Insured** in his defence. In any event, this exclusion shall not apply to any **Insured** who is not a perpetrator or an accomplice;
- (e) express or other warranties or guarantees made by an **Insured** with respect to the cost, the estimates of profit or return of capital on an investment;
- (f) directly or indirectly, the mere depreciation of an investment, the lack of return on an investment or any shortfall therein, or the total or partial loss thereof, where such lack, shortfall or loss shall result from normal or abnormal fluctuations of the financial markets, of securities, of commodities or other instruments which are beyond the control of the **Insured**;
- (g) the consequential effects of **claims** which the **Insured** was aware prior to the **policy period**;
- (h) circumstances of which the **Insured** was aware prior to the **policy period** and which were likely to give rise to a **claim**;
- (i) the actual, alleged or feared discharge, dispersal, emission, escape or leakage of **pollutants**;
- (j) a governmental directive, a regulation or a request inducing a person who works under the **Insured's** direction or supervision, or the **Insured** himself, to test, control, remove, retain, contain, treat or neutralize the **pollutants** or detoxify them;
- (k) any conversion or misappropriation of funds held in trust whether such acts have been committed by the **Insured**, its representatives, mandataries or agents, trainees or employees;

- (l) inexcusable fault, gross negligence, wilful blindness or the assumption of a calculated risk;
- (m) professional services which have or should have been rendered by the **Insured** from a branch or firm located outside Canada or by his mandataries or agents, his employees or his trainees in the performance of their duties who are pursuing their activities from such branch or firm at the time such professional services are or should have been rendered;
- (n) notwithstanding any provision to the contrary, this policy provides no coverage for any losses or **damages** resulting directly or indirectly from the consequences of civil war or a foreign conflict, acts of terrorism, invasions, acts of foreign enemies, hostilities (whether war be declared or not), rebellion, revolution, insurrection, military occupation, usurpation of power, confiscation, nationalization, seizure, destruction of, or damage to, property, by, or under the authority of, of any government or government agency;
- (o) any liability incurred by the **Insured** pursuant to a statute purporting to govern labour standards or industrial accidents, occupational health and safety or workers' compensation;
- (p) liability in respect of property, movable or immovable, real or personal, belonging to the **Insured** or leased, occupied or used by him or over which he exercises power of direction, or which is under his custody or management;
- (q) this policy provides no coverage to the **Insured** in respect of any **claim** whatsoever, originating from any source whatsoever, made by persons related to the latter or by any corporation, entity or general partnership over which he exercises control, directly or indirectly, in the capacity of shareholder, officer or director;
- (r) this policy provides no coverage to the **Insured** in any respect whatsoever, regarding any **claim**, whether civil or criminal in nature, arising from the fact that the **Insured** is an officer, shareholder, or director of any corporation, entity or general partnership;
- (s) this policy provides no coverage to the **Insured** in respect of any **claim** whatsoever, whatever its nature may be, arising directly or indirectly from:
 - (i) the loss, corruption, erasure, theft, alteration of, or
 - (ii) access or lack of access to, or
 - (iii) interference with any electronically-held data;
- (t) This policy does not cover any loss, **damages**, cost, fees, expense or **claim** whether arising from preventative, remedial or other action, directly or indirectly arising out of:
 - (i) The calculation, computation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other similar change, including leap year calculations, by any computer system, application software, microprocessor, integrated circuit or similar hardware or non-hardware device, whether the property of the **Insured** or not; or
 - (ii) any change, alteration or modification involving the date change to the year 2000, or any other similar change, including leap year calculations, by any computer system, application software, microprocessor, integrated circuit or similar hardware device, whether the property of the **Insured** or not.

This exclusion applies regardless of any other cause or event that contributes, concurrently or not, to the loss, **damages**, cost, fees, expense or **claim**.

GENERAL CONDITIONS

7. LIMITS OF LIABILITY

- (a) The coverage limits are set out in the Declarations. Regardless of the number of **Insured**, of third parties injured or of **claims** made, the amount payable per **loss** shall be the maximum which we will pay out for all **damages** resulting from the same **claim**.
- (b) One or more **claims** resulting from the same circumstances or the same events with respect to professional services rendered or which should have been rendered to one or more persons shall amount to the same **loss**, both with respect to the application of the coverage limits and to the application of the deductible.

8. DEDUCTIBLE

- (a) The amount stated in the Declarations as "Deductible" shall first be deducted from each **loss** covered hereunder;
- (b) Amounts payable by virtue of the Insuring Agreement 2., Defence, Settlement, Payments, shall not be subject to the application of the deductible and shall be payable in full by the Insurer.

9. ASSISTANCE AND COOPERATION OF THE INSURED

The **Insured** shall, at its expense, cooperate with the Insurer and, upon the Insurer's request, shall attend investigations and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the proper conduct of suits.

The Insurer may set up against any injured third party any means of defence which the **Insured** could have asserted upon the date of the **loss**, however, it may not assert any defence relating to facts which occurred after the **loss**; in this respect, the Insurer may seek redress from the **Insured**.

Except at his own cost, the **Insured** shall not voluntarily make any payment, assume any liability or obligation or incur any expense, unless incurred with the prior consent of the Insurer.

10. SUBROGATION

In the event of any payment by the Insurer under this policy, the Insurer shall be subrogated to all the **Insured's** rights of recovery against any person or organization other than the **Insured**, and the **Insured** shall execute and deliver any written instruments and do whatever else shall be necessary to secure such rights. The **Insured** shall do nothing after the loss to impair such rights, under penalty of forfeiture.

11. RIGHTS OF JOINT INSURED

Without increasing the policy limits set by this policy, this policy shall apply to each **Insured** to the same extent as if a separate policy had been issued to each. The word "**Insured**" is used herein severally and not collectively.

Any fault, error, omission or breach of any condition of this policy on the part of the **Insured** may not be set up against any other **Insured** who has not perpetrated same or been complicit in its perpetration.

12. CHANGES

Notice given to any mandatary or agent or knowledge possessed by such person or by any other person shall not effect a waiver or a change of any part of this policy nor prevent the Insurer from asserting any right under the terms of this policy; nor may the terms and conditions of this policy be waived, nor may the policy be amended, except by way of a rider issued in accordance with the law.

13. ASSIGNMENT

No assignment of an interest under this policy shall bind the Insurer until its consent shall be endorsed hereon.

14. RIGHT OF AUDIT

To the extent as such shall apply to this insurance, the **Insured** shall allow the Insurer to inspect the **Insured's** premises and operations and to examine and audit the **Insured's** books and records at any time during the **policy period** and within one year following the termination or cancellation thereof. The Insurer shall incur no liability and waives no rights by reason of the performance of, or failure to perform, such inspection, examination or audit.

15. SEPARATION OF INSUREDS

Except with respect to the limits of liability and any rights or duties specifically assigned to the Named **Insured**, this insurance shall apply in the same manner and to the same extent as if a separate policy had been issued to each **Insured**.

16. CANCELLATION/TERMINATION

(a) The named **Insured** may cancel or terminate this policy by sending written notice to this effect to the Insurer indicating the effective date of cancellation. In such a case, the Insurer shall reimburse unto the **Insured** the unearned portion of the premium paid by the **Insured**, unless a statute or regulation shall warrant that coverage should continue. In such an event, no cancellation credit can be granted. Computation of the repayment shall be in accordance with the short rate table;

(b) The Insurer may terminate this policy by sending to the named **Insured**, by registered mail or hand delivery, written notice to this effect, and termination shall be effective thirty (30) days following the receipt of the notice. The Insurer shall reimburse the unearned portion of the annual premium paid by the **Insured**, computed on a *pro rata* basis.

17. NOTICE TO AUTHORITIES

(a) The Insurer shall provide the Autorité des marchés financiers, hereinafter the Autorité, with prior thirty-day notice of its intention not to renew or to cancel or terminate this policy; failure to give such notice shall not, however, have the effect of conferring additional rights upon the **Insured**;

- (b) The Insurer shall notify the Autorité upon receiving notice of non-renewal or termination or cancellation of this policy;
- (c) The Insurer shall give notice to the Autorité of any **claim**, whether or not the Insurer decides to honour the **claim**.

18. STATUTORY COMPLIANCE

The terms of this policy which are in conflict with the statutes of the province wherein this policy is issued are hereby amended to comply with such statutes.

This policy is governed by the laws of the province of the **Insured** as indicated in the Declarations and the parties agree that any dispute or litigation in relation to this policy shall be submitted to the exclusive jurisdiction of the competent authorities and courts of said province.

19. NOTICES

Any notice to the Insurer may be validly given to the undersigned. In witness whereof, this policy has been executed, as authorized by the Insurer, by LA TURQUOISE PRO.

Endorsement

This appendix is an endorsement to the primary contract # 169-2375 (the “Policy”), and must be read in conjunction with the Policy.

Cyber-risks guarantee – liability regarding security and confidentiality

In consideration of the payment of the premium, and subject to the specific conditions and the terms, conditions and limitations of this endorsement, the insurer agrees as follows:

NATURE AND EXTENT OF THE GUARANTEE

Notwithstanding the provisions of paragraph 6p) of the Policy, and subject to the acceptance by the insurer of this endorsement, the insurer will pay up to the limit of the guarantee, for the account of the **Insured**, all amounts that the latter is legally obligated to pay to third parties for damages resulting directly or indirectly from the loss, damage, theft and inaccessibility of all data stored electronically by the **Insured** and resulting in, directly or indirectly, an invasion of privacy. Only the claims based on the previously designated errors formulated for the first time against an Insured during the insurance period in Canada will be covered by this endorsement.

The claim is presumed to be formulated as of the moment a notice or a claim is submitted to the insurer by an **Insured**.

The guarantee is limited to **damages** and applies within the limits described hereinafter.

DEFINITIONS

The definitions listed hereinafter must be read with the Policy definitions and must only be used for the interpretation of this endorsement.

Affected persons, means any physical person who is affected by the **confidential and personal information** collected, stored or processed by the insured during the normal business activities of the **insured**.

Confidential and personal information means any information susceptible of allowing the precise identification of a person and to be used in a manner to facilitate the perpetration of an **identity fraud**. It can notably apply to the sub-categories of the following information:

- i. Information about the identity and contact information;
- ii. Identification numbers issued by the government; or
- iii. Financial information.

Data means a person's **confidential or personal information**

Data protection authority means a Canadian federal or provincial governmental agency or any federal governmental agency responsible for the supervision and the enforcement of laws and the applicable regulations regarding the protection of **personal information**, the protection of **data** and **the invasion of privacy**.

Identity fraud means the actual fraudulent use of **personal information** related to a physical person (living or deceased) with the goal of perpetrating a fraud, including, but not limited to, the theft of a person's identity and the creation of fraudulent credit accounts.

Invasion of privacy means the loss, theft or accidental distribution of **data** related to one or several **affected persons**.

Malicious logic means a worm, virus, Trojan horse, robotized program or any other element of programming code, spyware or malware that is used with the goal of collecting, destroying, modifying, recuperating or altering a program or **data** in an illicit manner, on a computer system, network, storage device, personal digital assistant or any other peripheral, and which, at the time in which the **invasion of privacy** occurred, was named and recognised by the CERT Coordination Centre, or by any antivirus, anti-malware or other solution from third-party suppliers and known within the industry, that monitors activity related to malicious logic.

SUBSIDIARY GUARANTEES

Within the framework of this insurance:

1. Subject to the exclusions contained in the Policy and/or this endorsement, the insurer will pay on behalf of the **Insured**, all amounts that the latter is legally obligated to pay to third parties as damages under a judgement issued in Canada or a settlement obtained in order to avoid proceedings or a judgement issued in Canada following a claim regarding civil liability of the **Insured** and presented to the insurer for the first time while the endorsement is in effect.

DEFENCE, SETTLEMENT AND PAYMENT

2. If you are prosecuted for Damages that we cover, we must:
 - a) assume the defence for any action or arbitration proceedings against the **Insured**, even if the allegations in the prosecution are unfounded. However, we reserve the right to act as we see fit regarding the investigation, transaction or settlement regarding any Claim or prosecution and will grant the mandate for representation to an attorney of our choice. We will, however, not reach any settlement without the written consent of the **Insured**;

However, if the **Insured** refuses to authorize a settlement that, in the opinion of the Insurer, should be reached and if the **Insured** chooses to appeal the Claim or to continue the proceedings, the Insurer's liability will then be limited to the amount for which the Claim could have been settled, including capital, interests, additional benefits and costs. All penalties or settlements exceeding this amount thus become the exclusive liability of the Insured;

- b) pay or reimburse in excess of this policy's guarantee limits all of the taxed costs against the Insured in any civil proceedings defended by the Insurer and all interests incurred as of the judgement date on the portion of the judgement that is within the limits of the guarantee;

GUARANTEE LIMITATIONS

- A) The guarantee applies:
 - i. In the absence of other valid and recoverable insurance or;
 - ii. As excess if the Insured benefit from other valid and recoverable insurance or if they benefit from any other compensation in accordance with the laws or regulations of the external corporation.
- B) Subject to the provisions of article 2 b) of the present, the guarantee is limited to the amount stipulated in the section Insurance Amount in this endorsement, regardless of the number of **Insured**, injured third parties or claims;
- C) The guarantee does not apply to **claims** for acts that occurred prior to the date that this endorsement takes effect (or of the original endorsement if this endorsement is part of an uninterrupted continuation of renewals);
- D) The guarantee does not apply to **claims** declared to the insurer after more than 30 days from the discovery of an **invasion of privacy**.

INSURANCE AMOUNT

Under this endorsement, the guarantee limit is:

- \$250,000 per claim
- \$250,000 Aggregate limit
- Applicable deductible: \$0

This amount is included in the insurer's total guarantee limit as indicated in the specific conditions.

EXCLUSIONS

In addition to the exclusions found in the policy, the following exclusions are added

The insurer will not grant any guarantee to the **Insured** regarding:

- a) expenses or costs based on the intentional involvement of the **insured**, or an associate, administrator, fiduciary or employee of the **insured**, either acting alone or in conjunction with others, in an **invasion of privacy**, or as a result thereof or as is attributable;
- b) an **invasion of privacy** based on an activity, an error or a fraudulent, misleading or criminal omission, or from any deliberate, reckless or intentional violation of the law by the **insured**, or by an associate, administrator, trustee or employee of the **insured**, acting alone or in conjunction with others, where the invasion occurs during work hours or not, or as a result thereof or as is attributable;
- c) expenses or costs that result from recklessness or acts performed and appearing as gross negligence regarding the manipulation, treatment, transfer and security of **personal information**, placed in the care, custody and control of the **insured**, or as a result thereof or as is attributable;
- d) expenses or costs incurred for investigating any breach in obligations, or to correct them. The term "breach", employed in this exclusion notably includes breaches from the **insured** regarding personnel management, supplier management, internal systems, procedures, network or information system firewall, antivirus or a network or information system physical security system that could have facilitated an **invasion of privacy**;
- e) expenses or costs resulting from investigations or from criminal proceedings;
- f) expenses or costs based on any **invasion of privacy**, which results in a loss of **data** due to **malicious logic**, if the inability to detect the code is caused by a lack of installing or adequately implementing:
 - (i) applications;
 - (ii) a program;
 - (iii) one or more firewalls;
 - (iv) one or more antiviruses;
 - (v) an antispyware
 - (vi) a patch or a program or system update;
 - (vii) any other reasonable precaution;or as a result thereof or as is attributable;
- g) charges, penalties, fines or costs imposed by a financial institution, a provincial or federal level **data protection authority**, a tribunal or any other entity;
- h) expenses or costs based on the knowledge by the insured of all invasion of privacy that occurred before the date that this endorsement takes effect, or as a result thereof or as is attributable;
- i) expenses or costs based on threats or acts of extortion or blackmail, or as a result thereof or as is attributable, including, but not limited to, the payment of ransom and private assistance regarding security, or as a result of or attributable to such acts or threats;
- j) expenses or costs based on the failure of the **insured** to offer their collaboration and to divulge all the circumstances related to the **invasion of privacy** to the insurer, to the applicable federal, provincial or territorial regulators, to law enforcement or to any service supplier, or as a result thereof or as is attributable;
- k) expenses or costs based on the liability assumed by the insured in the terms of the contract or a convention, or as a result thereof or as is attributable.

All other modalities and conditions of the policy or the extension remain unchanged.

Endorsement

This appendix is an endorsement to the primary contract # 169-2375 (the "Policy"), and must be read in conjunction with the Policy.

Director and Officer Manager Civil Liability

External directorate only

In consideration of the payment of the premium, and subject to the specific conditions and terms, conditions and limitations of the present endorsement, the insurer agrees as follows:

NATURE AND EXTENT OF THE GUARANTEE

The insurer will pay up to the limit of the guarantee for the account of the **Insured** for all amounts that the latter is legally obligated to pay to third parties for damages resulting directly or indirectly from an error committed by an **Director or officer** of a non-profit organization ("NPO") as the term is defined by law or any other organization for which the Insured is involved as a volunteer and that has no ties to the professional activities of the **Insured**, as stipulated in article 5g) of the Policy and in the insurance application. Only the claims based on the previously designated errors formulated for the first time against an Insured during the insurance period in Canada will be covered by this endorsement.

The claim is presumed to be formulated as of the moment a notice or a claim is submitted to the insurer by an **Insured**.

The guarantee is limited to the **damages** and applies within the limits described hereinafter.

DEFINITIONS

The definitions listed hereinafter must be read with the Policy definitions and must only be used for the interpretation of this endorsement.

Director or officer means any person that was, is or becomes a director or an officer that is duly elected or designated by you and, in the case of death, disability or bankruptcy, the legal representative of this administrator or senior manager sits on a NPO, a charitable organization or any volunteer organization,

Claim means any verbal or written monetary request, as well as any verbal or written allegation received by the **Insured**, notably including any claim formulated against the Insured and in relation to their role as Administrator for a fault, error, negligence or omission by providing said services.

Damage, when employed in this policy, means compensatory damages and, if applicable, any interest incurred on any judgment rendered up to the limit of the guarantee, exclusively to the exclusion of all punitive or exemplary Damage, fine, penalty, reimbursement of fees, commissions or fiscal contributions as a result of the revenue declaration for income tax purposes and/or any fiscal planning;

Fault means the error, omission, negligence, erroneous or misleading or lacking declaration for obligations committed, or supposedly committed by an Insured during, or while exercising their functions as Administrator.

Loss means any event that is at the source of one or more claims.

Period of insurance means any complete year of insurance or any remaining fraction of a year, calculated as of the effective date stipulated in the Specific Conditions. Any extension of the contract of duration of less than one year will be considered to be part of the last period of insurance.

Personal damages signify any bodily or psychological insecurity or illness of a person.

Property damage means damage to or destruction of tangible property.

SUBSIDIARY GUARANTEES

Subject to the exclusions contained in the Policy and/or this endorsement, the insurer will pay on behalf of the **Insured**, all amounts that the latter is legally obligated to pay to third parties as damages under a judgement issued in Canada or a settlement obtained in order to avoid proceedings or a judgement issued in Canada following a claim regarding civil liability of the **Insured** and presented to the insurer for the first time while the endorsement is in effect.

DEFENCE, SETTLEMENT AND PAYMENT

1. If you are prosecuted for Damages that we cover, we must:
 - a) assume the defence for any action or arbitration proceedings against the **Insured**, even if the allegations in the prosecution are unfounded. We, however, reserve the right to act as we see fit regarding the investigation, transaction or settlement regarding any Claim or prosecution and will grant the mandate for representation to an attorney of our choice. We will, however, not reach any settlement without the written consent of the **Insured**;

However, if the **Insured** refuses to authorize a settlement that, in the opinion of the Insurer, should be reached and if the **Insured** chooses to appeal the Claim or to continue the proceedings, the Insurer's liability will then be limited to the amount for which the Claim could have been settled, including capital, interests, additional benefits and costs. All penalties or settlements exceeding this amount thus become the exclusive liability of the **Insured**;

- b) pay or reimburse in excess of this policy's guarantee limits all of the taxed costs against the **Insured** in any civil proceedings defended by the Insurer and all interests incurred as of the judgement date on the portion of the judgement that is within the limits of the guarantee;

GUARANTEE LIMITATIONS

- A) The guarantee applies:
 - i. In the absence of other valid and recoverable insurance or;
 - ii. As excess if the Insured benefit from other valid and recoverable insurance or if they benefit from any other compensation in accordance with the laws or regulations of the external corporation.
- B) Subject to the provisions of article 2 b) of the present, the guarantee is limited to the amount stipulated in the section Insurance Amount in this endorsement, regardless of the number of **Insured**, injured third parties or claims;
- C) The guarantee does not apply to **claims** made by an external corporation or to claims made by any administrator, senior manager or any other employee from the external corporation;
- D) In the case where the external directorate ceases, the guarantee continues to apply as long as the present insurance is still in effect, all of which is subject to the conditions set out herein.

INSURANCE AMOUNT

Under this endorsement, the guarantee limit is:

- \$250,000 per claim
- \$250,000 Aggregate limit
- Applicable deductible: \$0

This amount is included in the insurer's total guarantee limit as indicated in the specific conditions.

EXCLUSIONS

In addition to the exclusions found in Policy, the following exclusions are added.

1. the insurer will not grant a guarantee to the Insured for: **personal damages, property damages**, or the deprivation of use of tangible goods caused by a **loss**;
2. any decision made as an administrator that results in damages caused by pollution from emissions, disposal, release or dispersion of solid, liquid or gaseous substances into the atmosphere, water or ground or into water pipes, sewers or drainage systems, even if the aforementioned events are sudden or accidental;
3. any decision made by an administrator that results in liability imposed by any nuclear liability act;
4. the liability assumed by the **Insured** under a verbal or written contract;
5. claims with an illegitimately collected benefit by a **director** or an **officer**;
6. claims based on non-compliance with legal requirements regarding recording in the case of the purchase, sale, or disposal of securities;
7. dishonesty or gross negligence on the part of **director** or **officer**, but only if determined by a judgment made against them, without appeal, that the acts performed with dishonest intent were decisive in the case that was the subject of the judgement;
8. the consequences of the loss for which the **Insured** has knowledge of, from any means, prior to when the present contract takes effect or, if the present is part of an uninterrupted continuation of renewals on our part, of the first contract issued by us.



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Policy

Professional Liability (Errors and Omissions)

Additional Conditions

EMPLOYEE BENEFIT PROGRAMS – LIABILITY INSURANCE ENDORSEMENT - SFARAS-1

Throughout this policy the words "you" and "yours" refer to the Named Insured shown in the Declarations. The words "we "us" and "our" refer to the Company providing this insurance. Words and phrases in bold have special meaning as defined in Definition Section.

1. INSURING AGREEMENT

We will pay those sums that the **insured** becomes legally obligated to pay as compensatory damages on account of any claim made against any **insured** because of a **wrongful act** in the **administration** of your **employee benefit programs**, provided that the claim is first made during the **policy period** within Canada, its territories or possessions.

A claim by a person or organization seeking compensatory damages will be deemed to have been made when notice of such claim is received and recorded by any **insured** or by us, whichever comes first.

The amount we will pay for compensatory damages is limited as described under LIMITS OF INSURANCE and DEDUCTIBLE.

2. SUPPLEMENTARY PAYMENTS

With respect to such insurance as is afforded by this policy:

- (a) we shall have the right and duty to defend any suit against the **insured** seeking damages payable under the terms of this policy, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation, negotiation and settlement as we deem expedient;
- (b) we shall pay or reimburse:
 - (i) all premiums on bonds to release attachments for an amount not in excess of the limit of insurance;
 - (ii) all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish such bonds;
 - (iii) all costs taxed against the **insured** in any civil action we defend and any interest accruing after entry of judgment (or, in those jurisdictions where statute prescribes interest from some other date, from such prescribed date) upon that part of the judgment which is within the limit of insurance;
 - (iv) all reasonable expenses (other than loss of earnings) Incurred at our request.

The amounts so incurred except settlement of claims or suits are payable in addition to the limits of insurance.

3. LIMITS OF INSURANCE

- (a) The Limits of insurance stated in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (i) **insureds** ;
 - (ii) claims made or suits brought; or
 - (iii) persons or organizations making claims or bringing suits.
- (b) The Aggregate Limit of \$ 500 000 is the most we will pay for all compensatory damages with respect to all claims covered by this insurance and made during the **policy period**.
- (c) Subject to (b) above, the Each Loss Limit of \$ 250 000 is the most we will pay for all compensatory damages arising out of any one loss. Claims based on or arising out of the same act interrelated acts, or one or more series of similar acts, of one or more **insureds** shall be considered a single loss.

4. DEDUCTIBLE

Our obligation to pay compensatory damages on your behalf applies only to the amount of compensatory damages in excess of the deductible amount stated in the Declarations. The deductible amount applies to all compensatory damages because of loss sustained by one person or organization as the result of any **wrongful act**.

The terms of this insurance, including those with respect to:

- (a) our right and duty to defend any suit seeking those damages; and
- (b) your duties in the event of an occurrence, claim or suit apply irrespective of the application of the deductible amount.



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Policy

Professional Liability (Errors and Omissions)

Additional Conditions

EMPLOYEE BENEFIT PROGRAMS – LIABILITY INSURANCE ENDORSEMENT - SFARAS-1 (continued)

5. EXCLUSIONS

This insurance does not apply to:

- (a) any claim for failure of performance of contract by any insurer;
- (b) any claim based upon:
 - (i) the **insured 's** failure to comply with any law concerning workmen's compensation, employment insurance, social security, disability benefits or any similar law;
 - (ii) failure of any investment plan to perform as represented by an **insured**;
 - (iii) advice given by an **insured** to an employee to participate or not to participate in any investment plan;
- (c) claims made against the **insured** for **wrongful acts** known to any insured:
 - (i) before the effective date of this insurance; or
 - (ii) if this policy is part of a series of consecutive renewals issued by us, before the effective date of the first policy issued by us.
- (d) Any claim covered by other insurance to which the **insured** has subscribed.

6. DEFINITIONS

Administration means:

- (a) giving counsel to employees with respect to the employee benefit programs;
 - (b) interpreting the **employee** benefit programs;
 - (c) handling of records in connection with the employee benefit programs;
 - (d) effecting enrolment termination or cancellation of employees under the employee benefit programs;
- provided all such acts are authorized by you.

Insured

Each of the following is an insured under this insurance to the extent set forth below:

- (a) if the Named Insured is designated in the Declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor;
- (b) if the Named Insured is designated in the Declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;
- (c) if the Named Insured is designated in the Declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;
- (d) any employee of the Named Insured while acting in the administration of the employee benefit programs.
- (e) the clients of the Insureds stated in the above mentioned clauses: " a), b), c), d) " .

Employee benefit programs means group life insurance, group health insurance, pension plans, investment plans, workers compensation, unemployment insurance, social security and disability benefits.

Policy period means the period of one year following the effective date and hour of this policy or any anniversary thereof, or if the time between the effective date or any anniversary and the termination of the policy is less than one year, such lesser period.

If the **policy period** is extended after issuance for an additional period of less than twelve (12) months, the additional period will be deemed part of the last preceding period for the purpose of determining the Limit of Insurance.

Wrongful act means any actual or alleged breach of duty, neglect error, misstatement, misleading statement, omission or other act done or wrongfully attempted by an **insured** or any matter claimed, against an **insured**, by reason of or in connection with the **administration** of the **employee benefit programs**.