



ECHELON GENERAL INSURANCE COMPANY (hereinafter called the insurer)

LEGAL PROTECTION INSURANCE FOR BUSINESS

DECLARATION PAGE

Purpose of document

DECLARATIONS

Policy no.

1) Name of insured:

2) Address of insured:

3) Professional Services/ Activities of the insured: **Electrolysis and Beauty Care Professional**

4) Policy period:

DD/MM/YYYY

Inception date

Expiration date

Modification date

12:01 A.M. standard time at the insured's address stated above

INSURANCE IS PROVIDED ONLY THOSE COVERAGES FOR WHICH A SPECIFIC LIMIT OF INSURANCE IS SHOWN - ON TERMS AND CONDITIONS CONTAINED IN THE FORM INDICATED

Form No.	Coverage	Limit of Liability	Premium
Wording APESEQ EN 2023-10	Legal Protection Insurance for the electrolysis and beauty care professionals of Quebec	Per person	
	Initial consultation following notification of a claim to the insurer	\$100	
	For any amicable settlement	\$500	
	For any out-of-court settlement	\$2,000	\$
	MAXIMUM AMOUNT - BY EACH CLAIM	\$5,000	
	ANNUAL LIMIT / AGGREGATE	\$10,000	
	Legal assistance call	Included	

5) Notice of loss:

Legal Assistance and Notice of Claim, please dial 1-888-593-6293

Broker information:

La Turquoise

104 rue Dubois, St-Eustache QC J7P 4W9

Authorized agent by insurer:

Number of person(s) insured

0

Minimum premium retained

\$0

The Insured is requested to read this policy, and if incorrect, return it immediately for alteration. In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above. All inquiries and disputes are also to be addressed to this Coverholder.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

Document issued the:



LEGAL EXPENSES INSURANCE FOR THE ELECTROLYSIS AND BEAUTY CARE PROFESSIONALS OF QUEBEC

Once premium is paid, this document is your insurance policy. Please read your policy carefully as it contains clauses that may limit your coverages and indemnity. Keep it in a safe place.

This policy is a Specified Perils Legal Expenses Insurance Contract providing the Insured with financial assistance and enables him to find an amicable or judicial solution to legal disputes, subject to the terms and conditions contained herein.

This policy insures only covered disputes, in all cases subject to the exclusions, conditions and limitations contained in this policy.

1. DEFINITIONS

For the purpose of this policy, the words and expressions defined hereafter shall be interpreted as having the following meaning unless the context indicates otherwise:

1.1 INSURED: The Insured designated in the DECLARATION PAGE of this policy and, if domiciled or residing under the same roof as him, his spouse, his de facto spouse, members of their family and minors in their custody.

The de facto spouse is the person living with the designated Insured in a conjugal relationship outside marriage and who has been living with that person for more than twelve consecutive months.

1.2 CONSUMER TRANSACTION: The purchase or the rental of a movable or immovable property, including the transportation, warranty, repair or maintenance of this property. Similarly, any service contract entered into by the Insured and pertaining to a movable or immovable property of which he is the owner or lessee.

1.3 INSURED'S OPERATIONS: The exercise of the insured's usual activity, consisting in the production or realization of goods, their administration or alienation, or in the provision of services.

1.4 INSURER: The Insurer offering the present insurance.

1.5 LEGAL FEES AND JUDICIAL COSTS: By "Legal Fees" is meant extra judicial fees and disbursement charged by the lawyer retained by the Insured and incurred for the provision of services pertaining to a covered dispute and required for the protection of the Insured's interests.

By "Judicial Costs" is meant disbursements and fees which may be duly taxed by a court or quasi-judicial tribunal, in accordance with a statute or a bylaw. These include, namely, the taxation of ordinary and expert witnesses testifying before a court or tribunal.

1.6 DISPUTE: Any right, action or right of action as well as any contestation between the Insured and a third party, whether or not legal proceedings are instituted, including any contestation between the Insured and any administrative agency. From the time it is reported, a dispute becomes a claim under the terms of this policy.

1.7 EXCLUDED DISPUTE: A dispute referred to in section 4.

1.8 COVERED DISPUTE: A dispute referred to in section 2 and which is not an excluded dispute.

1.9 COMMENCEMENT OF DISPUTE: The moment the Insured becomes aware of a dispute, during the first of the following occurrences, as the case may be:

- any event which brings any of the coverages of this policy into play;
- the receipt of a verbal or written notice to the effect that a suit will be instituted against the Insured;
- the service or notification of a lawsuit.

1.10 LIMIT OF LIABILITY: Subject to the limit of fees covered, the maximum amount payable in legal fees and judicial costs for a claim, according to the stage at which it terminates.

1.11 LIMIT OF COVERED LEGAL FEES AND JUDICIAL COSTS: The maximum amount of legal fees and judicial costs directly payable to the Insured's lawyer for professional services rendered in respect of a claim or legal consultation, according to the conditions stipulated in the Schedule of Covered Legal Fees and Judicial Costs and the stages determined therein.

1.12 PERIOD OF INSURANCE: The period of insurance provided for in the DECLARATION PAGE of this policy or any lesser period in the event of the cancellation of this policy.

1.13 PRINCIPAL PLACE OF BUSINESS: The principal place of business of the Insured designated in the DECLARATION PAGE.

1.14 AMICABLE SETTLEMENT: The settlement of a covered dispute without the institution of legal proceedings.

1.15 OUT-OF-COURT SETTLEMENT: The settlement of a covered dispute following the institution of judicial, quasi-judicial or administrative proceedings.

1.16 PRINCIPAL RESIDENCE:

- Any building used for residential purposes, other than a building held in divided co-ownership, having no more than 5 dwellings and owned and occupied by the Insured, or
- Any private part of a building held in divided co-ownership, owned and occupied by the Insured, including common areas.

1.17 SECONDARY RESIDENCE: A country cottage or summer or weekend home owned by the insured.

1.18 DISPUTE THRESHOLD: Any pecuniary interest exceeding the amount of \$5,000.

1.19 COMMERCIAL TRANSACTIONS: Refers to agreements, contracts or transactions entered into in the course of the insured's operations.

2. COVERED DISPUTES

2.1 RELATING TO THE INSURED'S PRIVATE LIFE

Subject to the conditions and exclusions of this policy and in particular the dispute threshold, the disputes covered shall be those included solely in the following legal areas relating to the Insured's private life and outside of any professional, voluntary or commercial activity:

2.1.1 CONSUMER TRANSACTION:

Any legal action by the Insured in connection with any dispute involving fraud, forgery, deceitful, fraudulent or illicit sale or lease in respect of a consumer transaction. Similarly, any dispute regarding false or deceptive advertising in relation to a consumer transaction and, more generally, to a breach of a merchant's obligations in respect of a consumer transaction.

Any legal action by the Insured or any defence by the Insured against legal action in connection with any dispute involving latent defects with regard to movables or immovables forming part of the Insured's principal or secondary residence and generally any dispute regarding said residences.

2.1.2 BODILY INJURY:

Any legal action by the Insured against an individual or organization for compensatory damages due to physical injury or property damage sustained by the Insured and any similar claim made by against the Insured.

Under no circumstances shall punitive or exemplary damages be covered by this clause.

2.1.3 OWNERSHIP AND RESIDENCE:

Any defence by the Insured against legal action in connection with any dispute involving:

- the Insured's tenant lease;
- the tenants of the Insured's principal or secondary residence.

2.1.4 INCOME PROTECTION:

Any dispute concerning difficulties the Insured may have in asserting his rights in accordance with a public or private income replacement plan.

2.1.5 EMPLOYMENT:

Any dispute opposing the Insured, as a salaried employee, against his employer in matters of individual employment disputes except those resulting from union or professional activities.

2.2 RELATING TO THE INSURED'S OPERATIONS

Subject to the conditions and exclusions of this policy, in particular the dispute threshold, the disputes covered shall be those included exclusively in the following legal areas relating to the Insured's operations:

2.2.1 INSURED'S OPERATIONS:

Any defence by the Insured against legal action in connection with any dispute involving a commercial transaction.

2.2.2 EMPLOYMENT:

Any dispute opposing the Insured against one of its salaried employee in matters of individual employment disputes, with the exception of those resulting from union or professional activities.

2.2.3 PRINCIPAL PLACE OF BUSINESS:

Any dispute pertaining to:

- the commercial lease of the principal place of business of the Insured;
- the building owned and occupied by the insured as its principal place of business.

2.2.4 ADMINISTRATION

Any defence by the Insured against legal action in connection with any dispute involving The Consumer Protection Act or any law or regulation pertaining to worker's compensation, commercial practices, competition, and companies.

3. LIMITS OF LIABILITY

Subject to the limit of liability, limit of legal fees and judicial costs covered, observance of the formalities provided and other provisions under this policy, in the event of a claim, the Insurer shall have the following obligations toward the lawyer retained by the Insured in regard to a covered dispute:

3.1 LEGAL CONSULTATION:

In the case of a covered dispute, settled and terminated after the first legal consultation with the lawyer, to pay up to one hundred percent (100%) of the maximum set out in the Schedule of Covered Legal Fees and Judicial Costs, STAGE 1, the amount of legal fees relating to this first consultation solicited by the Insured.

3.2 AMICABLE SETTLEMENT:

In the case of an amicable settlement, to pay, up to one hundred percent (100%) of the maximum amount set out in the Schedule of Covered Legal Fees and Judicial Costs, STAGE 2, the amount of the legal fees charged the lawyer retained by the Insured.

3.3 OUT-OF-COURT SETTLEMENT:

In the case of an out-of-court settlement of a dispute, to pay, up to one hundred percent (100%) of the maximum set out in the Schedule of Covered Legal Fees and Judicial Costs, STAGE 3, the legal fees of the lawyer retained by the, the legal disbursements incurred up to that time, as well as the judicial costs which could otherwise be taxable against the Insured in favor of the opposing party.

3.4 TRIAL:

In the case where the dispute shall proceed to a hearing on the merits before the competent court, quasi-judicial or administrative tribunal, including any appeal procedure, to pay, up to one hundred percent (100%) of the maximum set out in the Schedule of Covered Legal Fees and Judicial Costs, STAGE 4, the legal fees of the lawyer retained by the Insured, the legal disbursements incurred up to that time, as well as the duly taxed bill of costs on account of the opposing party, where applicable.

In all cases described in sections 3.1 to 3.4, the Insurer shall not be required to pay any amount exceeding the maximum indemnity set out in the Schedule of Covered Legal Fees and Judicial Costs, at the stage at which a dispute terminates.

4. EXCLUDED DISPUTES

This policy does not cover any dispute:

4.1 which arises from any deception, fraud or intentional fault on the part of the Insured or on the part of any of his representatives.

4.2 which, in the opinion of the Insurer's representatives as a result of compulsory verifications carried out in accordance with articles 5.1 and 5.7 herein, is manifestly ill-founded in fact and in law, or manifestly constitutes on the part of the Insured an unfair, malicious, vexatious, vengeful or dilatory action against a third party.

4.3 which, at the time of notifying the claim in accordance with this policy, the Insured had already entrusted to a lawyer, with the exception of an emergency, or any case that had already been settled without the Insurer's prior agreement.

4.4 which is not reported to the Insurer within 30 days from the date of commencement of the dispute, or within a shorter delay if the Insured's right to exercise is subjected to such time.

4.5 where the pecuniary interest is less than the dispute threshold.

4.6 which relates to the Insured's commercial lease where the value, when carried forward on an annual basis, shall be less than the dispute threshold.

4.7 which relates to a contract of successive performance other than a contract referred to in paragraph 4.6, when the sum of the amounts in play shall be less than the dispute threshold.

4.8 which is already covered by insurance or relate to a situation where the Insured has a legal obligation to insure.

4.9 whose commencement, takes place before the coming into effect of this policy or following its termination.

4.10 which results from libel, slander or verbal or written insults, by whatever means of communication, whether it be a penal or civil action.

4.11 for which the Insured is represented by a union or relates directly or indirectly to a collective agreement or the unionization of the employees of the Insured.

4.12 for which the Insured is admissible to existing public or private legal aid services.

4.13 for which the insured is not represented by a lawyer or is represented by a lawyer who is his employee

4.14 which are not expressly covered or are excluded by endorsement to this policy.

4.15 which involves the Insured as surety, guarantor or assignee of rights.

4.16 which relates to intellectual property rights including a patent, a trademark or copyright.

4.17 which involves a determination of boundaries, expropriation or relates to a nuisance caused by the Insured to their neighborhood.

4.18 which is a dispute of penal or criminal nature instituted against the Insured.

4.19 which involves the collection or recovery of receivable accounts of the Insured.

4.20 which involves the breach of an obligation as a professional, a representative, a manager or a director.

4.21 which involves a conflict with any administrative agency, except for specifically covered disputes.

4.22 which involves any warranty given by the Insured or any work, product or service rendered or to be rendered by the Insured; or

4.23 which involves the civil liability of the Insured.

5. RIGHTS AND OBLIGATIONS OF THE INSURED IN THE EVENT OF A CLAIM

5.1 NOTIFICATION: In accordance with this policy, the Insured's representative shall notify the Insurer's representatives without delay of any event, which could bring the coverage of this policy into play.

The Insured's representative shall give such notification before consulting with a lawyer for any dispute which may be covered by this policy, except in case of emergency.

The Insured or any other person shall give such notification to the Insurer's representatives and obtain from them the authorization to consult with a lawyer in respect of this policy by calling:

1 (888) 593-6293

Failure to respect one of the above obligations shall result in the forfeiture of the Insured's rights under this policy with regard to the event in question.

5.2 CHOICE OF LAWYER: The Insured shall be free to choose his lawyer. He shall never, however, from his own initiative, refer a dispute to a lawyer, an expert or an arbitrator, or have a judicial or extra judicial act issued before notifying the Insurer of the dispute, in accordance with the provisions of section 5.1 above, except in case of emergency.

The Insured's representative shall bring to the attention of the lawyer he has chosen the information regarding this policy, in particular the limits of liability and the Schedule of Covered Legal Fees and Judicial Costs.

5.3 COLLABORATION OF THE INSURED: The Insured shall be responsible for minimizing the legal fees and judicial costs to be incurred and ensure that this obligation is met by the lawyer of his choice.

At the Insurer's request, the Insured shall deliver or arrange to have delivered copy of any documents as well as a report on the dispute so as to enable the Insurer to examine its legal basis; however, any correspondence between the Insured's representative and the lawyer shall be excluded from this obligation.

Following receipt of documents or information, the Insurer shall have the right, even in the course of the proceedings, to reject the Insured's claim by reason that the dispute is manifestly ill founded in fact or in law.

5.4 UNKNOWN WHEREABOUTS OF THE OPPOSING PARTY: In the case where it is impossible to locate the opposing party, and if it has been established that it is impossible to assert the rights of the Insured, the Insurer shall reserve the right to suspend the coverage of legal fees and judicial costs of a lawsuit or execution of a judgment which has become useless, with the reserve that one or the other be resumed if new and well-founded information leading to the location of the opposing party and attesting to his solvency.

5.5 PLURALITY OF PARTIES REPRESENTED BY THE LAWYER: If the lawyer represents other individuals beside the Insured, the Insurer shall only answer for the actual share of the Insured with regard to legal fees and judicial costs.

If the lawyer is required to represent several Insureds covered by the same policy with regard to a same dispute, this dispute shall be considered a single claim and shall be subject to the applicable limits of liability.

5.6 INACCURATE DECLARATION: If the Insurer discovers that information given by the Insureds representative, at the time of notification of a claim or thereafter, is false, erroneous or inaccurate, the Insurer may declare the Insured's rights forfeited under this policy with regard to the dispute in question, and claim from the Insured reimbursement of the amounts already disbursed. Such false, erroneous or inaccurate information also entitles the Insurer's to cancel the policy.

5.7 THE INSURER'S RIGHT OF VERIFICATION: The Insurer reserves the right to verify or have verified the merits and color of right of the Insured's position in respect of any covered dispute, the opportuneness and the urgency of any decision to be taken, the possibilities of an amicable settlement, as well as the merits of the dispute and amount of legal fees and judicial costs expenses involved.

5.8 OFFER OF SETTLEMENT: Any offer of settlement shall be submitted to the Insurer's representatives by the Insured's lawyer. Where the Insurer is of the opinion that an offer of settlement is acceptable, but that the Insured reject it, the Insurer may refuse to pay any legal fees and judicial costs incurred following the Insured's rejection of the offer.

5.9 PAYMENT OF LEGAL FEES AND JUDICIAL COSTS: The legal fees and judicial costs covered by the Insurer under this policy shall be paid directly to the lawyer in charge of the Insured's file upon presentation of his bill of fees and disbursements detailing the professional services rendered and disbursements incurred, following the verification and approval of the Insurer's representatives.

The lawyer's fees shall represent the services actually rendered.

The limits of liability set out in the Schedule of Covered Legal Fees and Judicial Costs shall not be increased due to the fact that more than one lawyer is involved in the handling of a dispute.

The Insurer reserves the right to ensure that the lawyer's bill of fees and costs as well as any claim for legal fees is covered by this policy, and is justified and reasonable. The Insurer reserves the right to reject and/or contest any claim submitted under this policy.

5.10 RECOVERY OF LEGAL DISBURSEMENTS: The legal disbursements recovered as costs from the opposing party shall reduce by the same amount the bill of costs of the Insured's lawyer.

6. CONDITIONS OF THE POLICY

6.1 EFFECTIVE DATE: This policy shall not respond to any claim made or arising during the first 60 days of the initial period of insurance. This qualifying period shall not apply to any subsequent consecutive renewal of the policy.

6.2 DECLARATIONS: This policy is issued on the basis of the Insured's declarations made to the Insurer at the time of application. The Insured's representative shall notify the Insurer without delay of any factual change affecting such declarations.

Any concealment, false declaration, omission or inaccurate declaration on the part of the Insured shall, at the Insurer's instance, invalidate this policy.

6.3 TERRITORY: The liability of this policy shall apply exclusively to disputes arising in Québec, falling under the jurisdiction of courts, quasi-judicial or administrative tribunals of Québec and exercised before them.

The Insurer shall not accept to cover disputes which are likely to lead to judicial decisions which could only be executed outside Québec.

6.4 TERMINATION OF THE POLICY: The Insured shall have the right to cancel the policy by giving the Insurer written notice to that effect. Cancellation shall become effective at the date at which the Insurer receives this notice.

The Insurer shall also have the right to terminate the policy by giving the Insured written notice to that effect. Cancellation shall become effective 15 days after receipt of this notice at the principal business place's known address.

Once cancelled, the Insurer shall only be entitled to the premium actually earned, calculated daily. The Insurer shall reimburse any overpayment of premium.

6.5 PLURALITY OF INSURANCES: Where several valid legal expenses insurance covering the same dispute have been contracted without fraud, the effect of this policy shall be in proportion to the whole insurance in force, up to the limit of liability.

6.6 ASSIGNMENT OF INSURANCE: In the event of the bankruptcy of the, or of an assignment between co-Insureds, of their interest in the insurance, the insurance shall continue in favor of the trustee or the remaining Insured.

6.7 PRESCRIPTION: Any action arising from this policy shall be prescribed by three years from the date of the event from which it arises.

7. ARBITRATION

Any dispute, dissension or claim between the parties to this policy, as regards the interpretation or execution of the conditions of the policy or failure of one party to respect his obligations, shall be referred to arbitration in accordance with the Civil Code of Quebec and with the Code of Civil Procedure of Quebec, at the exclusion of the courts.

Arbitration shall take place before a single arbitrator agreed upon by the parties.

The arbitration costs shall be at the charge of each party, except where the Insured's case is successful, in which case the Insurer shall pay the total costs.

**SCHEDULE OF COVERED LEGAL FEES AND JUDICIAL COSTS
MAXIMUM CHARGE**

The Insurer agrees to pay the lawyer retained by the Insured the following amounts which are intended to financially assist the Insured in finding a solution to a covered dispute.

The Insurer shall pay the lawyer a maximum remuneration of one hundred (\$100) dollars an hour as legal fees.

The Insurer shall pay a maximum remuneration of fifty (\$50) dollars an hour for services rendered by an articling student or a para-legal personnel employed under the responsibility of the lawyer.

The limits of liability as stipulated in this Schedule shall include the extra judicial fees and disbursements, judicial disbursements incurred, as well as the judicial disbursements and fees which could become payable to the opposing party in respect to a dispute as well as the applicable taxes.

All amounts payable under this policy shall be subject to the applicable limit of liability stipulated hereunder according to the stage at which a dispute is finally terminated.

STAGE OF DISPUTE	LIMIT OF LIABILITY	
	Private life	Insured's operation
STAGE 1 For initial consultation following notification of a claim to the Insurer	MAXIMUM 100\$	MAXIMUM 100\$
STAGE 2 For any amicable settlement	MAXIMUM 500\$	MAXIMUM 500\$
STAGE 3 For any out-of-court settlement	MAXIMUM 2 000\$	MAXIMUM 2 000\$
STAGE 4 After the complete hearing on the merits of the dispute and including any appeal or other remedies against judgments	MAXIMUM 5 000\$	MAXIMUM 5 000\$
MAXIMUN AGGREGATE	ANNUAL LIMIT OF LIABILITY	
Annual limit of liability	\$10 000	

The maximum amounts stipulated above are not cumulative and include in all cases extra judicial fees and disbursements as well as judicial costs and applicable taxes. These maximum amounts shall in all cases be subject to the conditions and limitations of sections 3.1, 3.2, 3.3 and 3.4 of the policy.

Under no circumstances shall the Insurer be required to pay any amount in excess of the maximum amounts specified above for the stage at which a dispute terminates. It is understood that the maximum amounts specified above apply to the Insured as well as the Company independently. The Insured or the Company shall pay any excess costs of the lawyer retained by him and, in such case, the Insured or the Company shall come to an agreement directly with the lawyer and shall remain solely responsible for the costs exceeding the maximum amounts provided in this policy.

EXTRAJUDICIAL DISBURSEMENTS

The following disbursements shall be paid at their face value upon presentation of vouchers as extrajudicial disbursements:

1. Long distance calls, fax communications, telegrams, courier services or any other quick means of communication used by the lawyer retained by the Insured or the Company.
2. For any traveling, \$0.35 a kilometer for every kilometer over the twentieth kilometer.
3. Any disbursements required by a court, tribunal or governmental organization in order to assert or defend the rights of the Insured or of the Company, and which are not taxable legal disbursements.

LEGAL DISBURSEMENTS

All taxable legal disbursements, such as judicial stamp costs, bailiff's fees, authentic act cost.