

NOT FOR PROFIT ORGANIZATION LIABILITY POLICY

In consideration of payment of the premium and subject to the Declarations, limitations, conditions, provisions, and other terms of this policy, the Company agrees as follows:

Insuring Clause	<p>1. The Company shall pay on behalf of an Insured all Loss which such Insured becomes legally obligated to pay on account of any Claim (including with respect to a Claim for Employment Practices only such Claim brought in Canada for a breach or alleged breach of any oral or written employment contract or quasi-employment contract) first made against such Insured during the Policy Period, or, if exercised, during the Extended Reporting Period, for:</p> <ul style="list-style-type: none">(a) a Wrongful Act,(b) Employment Practices, or(c) Personal Injury or Publishers Liability <p>Committed, attempted, or allegedly committed or attempted, by such Insured before or during the Policy Period.</p>
Spousal Liability Coverage	<p>2. If a Claim against an Insured Person includes a claim against the lawful Spouse or Common Law Partner of such Insured Person solely by reason of such person's status as a Spouse or Common Law Partner, or such Spouse's or Common Law Partner's ownership interest in property which the claimant seeks as recovery for an alleged Wrongful Act of the Insured Person, all loss which such Spouse or Common Law Partner becomes legally obligated to pay on account of such Claim shall be treated for purposes of this policy as Loss which the Insured Person becomes legally obligated to pay on account of the Claim made against such Insured Person. All limitations, conditions, provisions and other terms of coverage (including the Deductible Amount) applicable to the Insured Person's Loss shall also be applicable to this Spousal Liability Coverage. However, coverage shall not apply to the extent any Claim alleges any act or omission by the Insured Person's Spouse or Common Law Partner.</p>
Extended Reporting Period	<p>3. If this policy is terminated or not renewed for any reason other than non-payment of premium, any Insured shall have the right, upon payment of the additional premium set forth in Item 6(A) of the Declarations, to an extension of the coverage granted by this policy for the period set forth in Item 6(B) of the Declarations (Extended Reporting Period) following the effective date of termination or nonrenewal, but only for a Wrongful Act committed, attempted, or allegedly committed or attempted, prior to the effective date of termination or nonrenewal. This right of extension shall lapse unless written notice of such election, together with payment of the additional premium due, is received by the Company within 30 days following the effective date of termination or nonrenewal. Any Claim made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding Policy Year.</p>
Exclusions	<p>4.1 The Company shall not be liable for Loss on account of any Claim based upon, arising from, or in consequence of:</p>

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Exclusions (continued)

- (a) any circumstance if written notice of such circumstance has been given under any Policy of which this policy is a renewal or replacement and if such prior policy affords coverage (or would afford such coverage except for the exhaustion of its limits of liability) for such **Loss**, in whole or in part, as a result of such notice;
- (b) any demand, suit or other proceeding pending, or order, decree judgment entered for or against any **Insured** on or prior to the Pending or Prior date set forth in Item 7 of the Declarations, or the same or any substantially similar fact, circumstance or situation underlying or alleged therein;
- (c) any deliberately fraudulent act or omission or any willful violation of any statute or regulation by such **Insured**, if a judgment or other final adjudication adverse to such **Insured** establishes such a deliberately fraudulent act or omission or willful violation;
- (d) an **Insured** having gained in fact any profit, remuneration or advantage to which such **Insured** was not legally entitled. However, this exclusion shall only apply to the **Insured** who gained the profit, remuneration or advantage to which it, he or she was not entitled;
- (e) any actual or alleged obligation of any **Insured** pursuant to any workers' compensation, unemployment insurance, social or old age security, disability benefits or similar law. However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** by an **Insured** based upon such **Insured Person's** exercise of rights pursuant to any such law;
- (f) liability of others assumed by any **Insured** under any contract or agreement, either oral or written, except to the extent that an **Insured** would have been liable in the absence of the contract or agreement;
- (g) (i) the actual, alleged or threatened discharge, release, escape or disposal of **Pollutants** into or on real or personal property, water or the atmosphere; or (ii) any direction or request that the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so; including but not limited to any **Claim** for financial loss to any **Organization**, its security holders or its creditors based upon, arising from or in consequence of the matter described in (i) or (ii) of this exclusion. Provided, however that this exclusion shall not apply to any **Claim** for **Employment Practices** that are wrongful dismissal, discharge or termination of employment of any **Insured Person** in retaliation for such **Insured Person's** actual or threatened disclosure of the matters described in (i) or (ii) of this exclusion; or
- (h) any written, oral, express or implied contract or agreement; provided, however, that this exclusion shall not apply to (i) that part of **Loss** which constitutes **Defence Costs**, or (ii) subject to exclusions 4.3 (f) and (g), **Employment Practices**.

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Exclusions (continued)

- 4.2 The Company shall not be liable for **Loss** on account of any **Claim**:
- (a) for bodily injury, mental anguish (except with respect to **Employment Practices**), sickness, disease, or death of any person, or damage to or destruction of any tangible property, whether or not it is damaged or destroyed, including loss of use thereof;
 - (b) for an actual or alleged violation of the responsibilities, obligations or duties imposed in the United States of America by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, rules or regulations promulgated thereunder and amendments thereto, or similar provisions of any federal, state or local statutory or common law of the United States of America. However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** because of his or her actual or threatened disclosures of any actual or alleged violation of the Fair Labor Standards Act or the Occupational Safety and Health Act;
 - (c) for an actual or alleged violation of the responsibilities, obligations or duties imposed in Canada by the Pension Benefits Standards Act, the Canada Labour Code, Parts I and II, any collective bargaining agreement, rules, orders, orders in council or regulations promulgated thereunder and amendments thereto, or similar provisions of any federal, provincial, territorial or local statutory, common or civil law of Canada. However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** because of his or her actual or threatened disclosures of any actual or alleged violation of the Canada Labour Code, Part II or any similar provincial, territorial or local statute;
 - (d) for pay equity, including a **Claim** for an actual or alleged violation of the responsibilities, obligations or duties imposed in Canada by the Canadian Human Rights Act, Section 11, rules, orders, orders in council or regulations promulgated thereunder and amendments thereto, or similar provisions of any federal, provincial, territorial, or local statutory, common or civil law of Canada. However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** because of his or her actual or alleged protected lawful activity under the Canadian Human Rights Act, Section 11 or any similar provincial, territorial or local statute;
 - (e) for an actual or alleged violation of the responsibilities, obligations or duties imposed in any country other than Canada and the United States of America by statutory, common or civil laws similar to those referenced in (b), (c) and (d) above.

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Exclusions (continued)

However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** because of his or her (i) actual or threatened disclosures of any actual or alleged violations of an occupational safety and health statute or (ii) actual or alleged protected lawful activity under a pay equity statute;

- (f) for **Employment Practices** based upon, arising from, or in consequence of the **Financial Impairment** of the **Organization**.

However, this exclusion shall not apply to any **Claim** made against any **Insured** in the United States of America; or

- (g) brought or maintained by or on behalf of any **Insured** except:
- (i) a **Claim** that is a derivative action brought or maintained on behalf of an **Organization** by one or more persons who are not **Insured Persons** and who bring and maintain such **Claim** without the solicitation, assistance or participation of any **Insured**, or
 - (ii) a **Claim** brought and maintained by or on behalf of any past, present, or prospective **Insured Person** for any **Employment Practices**.

4.3 The Company shall not be liable for that part of **Loss**, other than **Defence Costs**:

- (a) on account of any **Claim** for **Employment Practices** made against any **Insured** for an actual or alleged violation of the responsibilities, obligations or duties imposed in Canada by the Canada Labour Code, Part III, rules, orders, orders in council or regulations promulgated thereunder and any amendments thereto, or similar provisions of any federal, provincial, territorial or local statutory law of Canada. However, this exclusion shall not apply to any **Claim** by an **Insured Person** for any retaliatory treatment of such **Insured Person** by any **Insured** based upon such **Insured Person's** exercise of rights pursuant to any such law, any **Equal Pay Claim**, or any **Claim** for **Employment Practices** for unjust dismissal or dismissal without good and sufficient cause brought in direct reliance upon Sections 240 to 246 inclusive of the Canada Labour Code, Part III, Section 123 of the Quebec Act Respecting Labour Standards or Section 71 of the Nova Scotia Labour Standards Code;
- (b) which constitutes **Benefits** due or to become due or the equivalent value of such **Benefits**. However, this exclusion shall not apply where such **Loss** is based upon a **Claim** for **Employment Practices** for actual or alleged wrongful dismissal, discharge or termination of employment;
- (c) which constitutes front pay, future damages or other future economic relief or the equivalent thereof, if the **Organization** is ordered, pursuant to a judgment or other final adjudication, but fails to reinstate an **Insured Person** as an employee;

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Exclusions (continued)

- (d) which constitutes the cost of compliance with or the satisfaction or remedy of an undertaking, a direction, an order, a violation, a determination or a certificate negotiated, issued, made or committed under the Employment Equity Act of Canada or any costs associated with any accommodation or affirmative action programme required by, pursuant to or ordered under the Canadian Human Rights Act, the Americans with Disabilities Act of the United States of America, or the Civil Rights Act of 1964 of the United States of America, rules, orders, orders in council or regulations promulgated under and amendments to these laws, or similar provisions of any federal, provincial, territorial, state or local statutory, common or civil law;
- (e) which constitutes the cost of compliance with any order for, grant of or agreement to provide injunctive or non-monetary relief;
- (f) which constitutes **Loss** for an actual or alleged breach of any written employment contract or agreement. This exclusion shall not apply to the extent the **Insured** would have been liable in the absence of such written employment contract or agreement. This exclusion applies only to any **Claim** for **Employment Practices** made, commenced, and conducted in the territorial limits and jurisdiction of the United States of America; or
- (g) on account of any **Claim** for **Employment Practices** which is based upon, arising from, or in consequence of any dispute with respect to the valuation of a written employment contract or agreement.

Severability of Exclusions

5. With respect to the exclusions in this policy, (i) no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** to determine if coverage is available; and (ii) only facts pertaining to and knowledge possessed by any past, present or future chief financial officer, President or Chairman of any **Organization** shall be imputed to any **Organization** to determine if coverage is available.

Limit of Liability and Deductible

6. All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** of any **Insured** shall be deemed one **Loss**, and such **Loss** shall be deemed to have originated in the earliest **Policy Year** in which a **Claim** is first made against any **Insured** alleging any such **Wrongful Act** or **Interrelated Wrongful Acts**.

The Company's maximum liability for each **Loss** shall be the Limit of Liability for each **Loss** set forth in Item 3(A) of the Declarations. The Company's maximum aggregate liability for all **Loss** on account of all **Claims** first made during the same **Policy Year** shall be the Limit of Liability for each **Policy Year** set forth in Item 3(B) of the Declarations.

The Company's liability under this policy shall apply only to that part of each **Loss** which is excess of the applicable Deductible Amount set forth in Item 5 of the Declarations, and such Deductible Amount shall be borne by the **Insureds** uninsured and at their own risk.

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Limit of Liability and Deductible (continued)

The Deductible Amount for Non-Indemnifiable **Loss** set forth in Item 5(A) of the Declarations shall apply to **Loss** incurred by any **Insured Person** for which no **Organization** is permitted or required to indemnify, or for which the **Organization** is permitted or required to indemnify but does not do so by reason of **Financial Impairment**. The Deductible Amount for Indemnifiable **Loss** set forth in Item 5(B) of the Declarations shall apply to all other **Loss**.

If a part of a single **Loss** is subject to the Deductible Amount for Non-Indemnifiable **Loss** and part of the same **Loss** is subject to the Deductible Amount for Indemnifiable **Loss**, the maximum Deductible Amount applicable to such **Loss** shall be the Deductible Amount for Indemnifiable **Loss**.

An **Organization** shall be deemed permitted or required to indemnify an **Insured**, and the shareholder and board of director resolutions of an **Organization** shall be deemed to provide indemnification to an **Insured**, to the fullest extent authorized by law. For purposes of this paragraph, the shareholder and board of director resolutions of the **Organization** shall be deemed to provide indemnification for **Loss** to the fullest extent permitted by such law.

For purposes of this section 6, the Extended Reporting Period, if exercised, shall be part of and not in addition to the immediately preceding **Policy Year**.

Reporting and Notice

7. Any **Insured** shall, as a condition precedent to exercising their rights under this policy, give to the Company written notice as soon as practicable of any **Claim**.

If during the **Policy Period** or Extended Period (if exercised) an **Insured** becomes aware of circumstances which could give rise a **Claim** other than a **Claim** for **Employment Practices** and the **Insured** gives written notice of such circumstances to the Company, then any **Claim** other than a **Claim** for **Employment Practices** subsequently arising from such circumstances shall be considered to have been made during the **Policy Period** or the Extended Reporting Period in which the circumstances were first reported to the Company.

All **Insureds** shall, as a condition precedent to exercising their rights under this policy, give to the Company such information and cooperation as it may reasonably require, including but not limited to a description of the **Claim** or circumstances, the nature of the alleged **Wrongful Act**, the nature of the alleged or potential damage, the names of actual or potential claimants, and the manner in which such **Insured** first became aware of the **Claim** or circumstances.

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Reporting and Notice Notice to the Company under this policy shall be given in writing addressed to:
(Continued)

- (a) Notice of **Claim** or circumstances which could give rise to a **Claim**: Chubb Insurance Company of Canada
1 Adelaide Street East
Toronto, Ontario
M5C 2V9
Attention: Claims Department
- (b) All other notices: Chubb Insurance Company of Canada
1 Adelaide Street East
Toronto, Ontario
M5C 2V9
Attention: Chubb Executive Risk Department

A notice shall be effective on the date of receipt by the Company at the above addresses, or with respect to notices in (b), at any branch office of the Company.

Defence and Settlement

8. The Company shall have the right and duty to defend any **Claim** covered by this policy. Coverage shall apply even if any of the allegations are groundless, false or fraudulent. The Company's duty to defend shall cease upon exhaustion of the Company's applicable Limit of Liability set forth in Item 3 of the Declarations.

The Company may make any investigation it deems necessary and may, with the consent of the **Insured**, make any settlement of any **Claim** it deems expedient. If such **Insured** withholds consent to such settlement, the Company's liability for all **Loss** on account of such **Claim** shall not exceed the amount for which the Company could have settled such **Claim** plus costs, charges and expenses accrued as of the date such settlement was proposed in writing by the Company to such **Insured**.

No **Insured** shall settle any **Claim**, incur any **Defence Costs**, assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's written consent, which shall not be unreasonably withheld. The Company shall not be liable for any settlement, **Defence Costs**, assumed obligation or admission to which it has not consented.

All **Insureds** agree to provide the Company with all information, assistance and cooperation which the Company reasonably requests and agree that they will do nothing that may prejudice the Company's position or its potential or actual rights of recovery.

Defence Costs are part of and not in addition to the applicable Limit of Liability set forth in Item 3 of the Declarations, and the payment by the Company of **Defence Costs** reduces such applicable Limit of Liability.

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Allocation

9. If both **Loss** covered by this policy and loss not covered by this policy are incurred, either because a **Claim** includes both covered and uncovered matters or a **Claim** is made against both covered and uncovered parties, the **Insureds** and the Company shall allocate such amount between covered **Loss** and uncovered loss based upon the relative legal exposures of the **Insureds**.

If the **Insureds** and the Company agree on an allocation of **Defence Costs**, the Company shall advance on a current basis **Defence Costs** allocated to the covered **Loss**. If the **Insureds** and the Company cannot agree on an allocation:

- (a) no presumption as to allocation shall exist in any arbitration, suit or other proceeding;
- (b) the Company shall advance on a current basis **Defence Costs** which the Company believes to be covered hereunder until a different allocation is negotiated, arbitrated or judicially determined; and
- (c) the parties shall endeavour to resolve the dispute by non-binding mediation pursuant to such rules and procedures, and using such mediator, as the parties may agree. If the parties cannot resolve the dispute by non-binding mediation, the Company, if requested by the **Insureds**, shall submit the dispute to binding arbitration. The arbitration panel shall consist of one arbitrator selected by the **Insureds**, one arbitrator selected by the Company, and a third independent arbitrator selected by the first two arbitrators.

Any negotiated, arbitrated or judicially determined allocation of **Defence Costs** on account of a **Claim** shall be applied retroactively to all **Defence Costs** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Defence Costs** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Loss** on account of such **Claim**.

Other Insurance

10. If **Loss** arising from a **Claim** made against any **Insured** is insured under any other valid policy, prior or current, then this policy shall cover such **Loss**, subject to its limitations, conditions, provisions and other terms, only to the extent that the amount of such **Loss** is in excess of the amount of payment from such other insurance, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in this policy.

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Changes in Exposure

Acquisition or Creation of Another Organization

11. If an **Organization** (i) acquires any entity by merger into or consolidation with the **Organization**, or (ii) acquires securities or voting rights in another entity or creates another entity, which as a result of such acquisition or creation becomes a **Subsidiary**, such entity and its **Insured Persons** shall be **Insureds** under this policy but only with respect to **Wrongful Acts** committed, attempted, or allegedly committed or attempted, after such acquisition or creation unless the Company agrees, after presentation of a complete application and all appropriate information, to provide coverage by endorsement for **Wrongful Acts** committed, attempted, or allegedly committed or attempted, by such **Insureds** prior to such acquisition or creation.

The **Organization** shall give written notice of such acquisition or creation to the Company as soon as practicable together with such information as the Company may require, and shall pay any reasonable additional premium required by the Company

Acquisition of Organization by Another Entity

12. If (i) the **Organization** set forth in Item 1 of the Declarations merges into or consolidates with another entity or (ii) control of the **Organization** is otherwise acquired or assumed by another entity, coverage under this policy shall continue until termination of this policy, but only with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted by an **Insured** prior to such merger, consolidation, or acquisition or assumption of control. Such **Organization** shall give written notice of such merger, consolidation, or acquisition or assumption to the Company as soon as practicable together with such information as the Company may require.

Cessation of Subsidiaries

13. In the event an entity ceases to be a **Subsidiary** before or after the inception date of this policy, coverage under this policy with respect to such **Subsidiary** and its **Insured Persons** shall continue until termination of this policy, but only with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted, prior to the date such entity ceased to be a **Subsidiary**.

Representation and Severability

14. In granting coverage to the **Insureds**, the Company has relied upon the declarations and statements in the written application for this policy and the written applications submitted to any other insurer which is specified in section 5 of the application for this policy. Such declarations and statements are the basis of coverage and shall be considered as incorporated in and constituting a part of this policy.

Such written applications for coverage shall be construed as separate applications for coverage by each **Insured Person**. With respect to the declarations and statements contained in such written applications for coverage, (i) no statement in the applications or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of determining if coverage is available, and (ii) only statements contained in such applications and knowledge possessed by the chief financial officer, President or Chairman of any **Organization** shall be imputed to any **Organization** for the purpose of determining if coverage is available.

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Territory	15. Coverage shall extend anywhere in the world.
Arbitration	<p>16. Any dispute between any Insured and the Company based upon, arising from or in connection with any actual or alleged coverage under this policy, including but not limited to any dispute sounding in contract or tort, shall be submitted to binding arbitration.</p> <p>Except with respect to the selection of the arbitration panel, an arbitration in Canada shall be governed by the provisions of the Ontario Arbitration Act, rules, orders, orders in council or regulations promulgated thereunder and amendments thereto or, upon the agreement of both the Company and the Insured(s), similar provisions of a statute passed by a province or territory other than Ontario, and an arbitration in the United States of America shall be governed by the rules of the American Arbitration Association. The arbitration panel shall consist of one (1) arbitrator selected by the Insured(s), one (1) arbitrator selected by the Company, and a third independent arbitrator selected by the first two (2) arbitrators.</p>
Subrogation	17. In the event of any payment under this policy, the Company shall be subrogated to the extent of such payment to all of the Insured's rights of recovery, and such Insured shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit in the name of such Insured .
Valuation and Foreign Currency	18. All premiums, limits, retentions, Loss and other amounts under this policy are expressed and payable in the currency of Canada. If judgment is rendered, settlement is denominated or any element of Loss under this policy is stated in a currency other than Canadian dollars, payment under this policy shall be made in Canadian dollars at the rate of exchange published in <u>The Globe and Mail</u> on the date the final judgment is reached, the amount of settlement is agreed upon or any element of Loss is due, respectively.
Action Against the Company	19. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy. No person or entity shall have any right under this policy to join the Company as a party to any action against any Insured to determine such Insured's liability nor shall the Company be impleaded by such Insured or legal representatives of such Insured .
Estates and Legal Representatives	20. Subject to the limitations, conditions, provisions and other terms of this policy, coverage shall extend to Claims for Wrongful Acts of any Insured made against the estates, heirs, legal representatives or assigns of Insured Persons who are deceased, incompetent, insolvent or bankrupt or against the legal representatives or assigns of Organizations which are insolvent or bankrupt.
Bankruptcy	21. Bankruptcy or insolvency of an Insured or of the estate of such Insured shall not relieve the Company of its obligations or deprive the Company of its rights under this policy.

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Authorization Clause	22.	By acceptance of this policy, the first Organization set forth in Item 1 of the Declarations agrees to act on behalf of each Insured with respect to the giving and receiving of notice of Claim or termination, the payment of premiums and the receiving of any return premiums that may become due under this policy, the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this policy (except the giving of notice to apply for the Extended Reporting Period), and each Insured agrees that the first named Organization shall act on their behalf.
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Alteration and Assignment	23.	No change in, modification of, or assignment of interest under this policy shall be effective except when made by written endorsement to this policy which is signed by an authorized employee of Chubb Insurance Company of Canada.
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Termination of Policy	24.	<p>This policy shall terminate at the earliest of the following times:</p> <ul style="list-style-type: none">(a) 10 days after receipt by the first Organization set forth in Item 1 of the Declarations of a written notice of termination from the Company based upon non-payment of premium;(b) upon receipt by the Company of written notice of termination from the first Organization set forth in Item 1 of the Declarations or, if a later time is specified in such notice, at such later time;(c) upon expiration of the Policy Period as set forth in Item 4 of the Declarations; or(d) at such other time as may be agreed upon by the Company and the first Organization set forth in Item 1 of the Declarations. <p>The Company shall refund the unearned premium computed at customary short rates if the policy is terminated by the first Organization set forth in Item 1 of the Declarations. Under any other circumstances the refund shall be computed pro rata.</p>
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Termination of Prior Policies	25.	The inception of this policy shall terminate, if not already terminated, any policies specified in Item 9 of the Declarations.
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Definitions	26.	<p>Benefits means perquisites, fringe benefits, payments in connection with an Employee Benefit Plan and any other payment, other than salary and wages, to or for the benefit of an employee arising out of the employment relationship.</p> <p>Claim means a:</p> <ul style="list-style-type: none">(i) written demand for monetary damages,(ii) civil proceeding commenced by the service of a complaint or similar pleading,(iii) criminal proceeding commenced by a laying of an information or the return of an indictment, or(iv) formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document, <p>against an Insured for a Wrongful Act, including any appeal therefrom.</p>
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Definitions (continued)

Common Law Partner means either of two (2) persons who have:

- (i) cohabited continuously in a conjugal relationship outside marriage for a period of at least one (1) year, or
- (ii) cohabited continuously in a conjugal relationship of some permanence outside marriage if they are the natural or adoptive parents of a child.

Defence Costs means that part of **Loss** consisting of reasonable costs, changes, fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the trustees, committee members, volunteers, directors, officers or employees of an **Organization**) incurred in defending any **Claim** and the premium for appeal, attachment, or similar bonds.

Employee Benefit Plan means any plan so defined in the Income Tax Act of Canada or any Registered Pension Plans, Group Sickness or Accident Insurance Plans, Private Health Services Plans, Supplementary Unemployment Benefit Plans, Deferred Profit-Sharing Plans, Employees' Profit-Sharing Plans, Income Maintenance Insurance Plans, Vacation Pay Trusts, Employee Trusts, Retirement Compensation Arrangements, or Salary Deferral Arrangements, as defined in the Income Tax Act of Canada, or any plan, including any welfare benefit plan, so defined in the Employee Retirement Income Security Act of 1974 of the United States of America, as amended.

Employment Practices means a **Wrongful Act** in connection with any actual or alleged wrongful dismissal, discharge or termination of employment, breach of any oral or written employment contract or quasi-employment contract, employment related misrepresentation, violation of employment discrimination laws (including workplace or sexual harassment), wrongful failure to employ or promote, wrongful discipline, wrongful deprivation of a career opportunity, failure to grant tenure, negligent evaluation, employment-related invasion of privacy, employment-related defamation, or employment-related wrongful infliction of emotional distress.

Equal Pay Claim means a **Claim** for **Employment Practices** for an actual or alleged differential of pay for the same work or substantially similar work, but does not include a **Claim** for **Employment Practices** for pay equity.

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Definitions (continued)

Financial Impairment means the financial position of any **Organization** as a debtor as that term is defined and used in Canada within the provisions of the Bankruptcy and Insolvency Act, rules, regulations, orders and orders in council promulgated thereunder and amendments thereto, and, without limiting the generality of the foregoing, shall occur when (i) any receiver, conservator, liquidator, trustee, sequestrator or similar official has been appointed by a federal, provincial, territorial, or state court, agency or official or by a creditor to take control of, supervise, manage or liquidate the **Organization**, or (ii) a reorganization proceeding relating to the **Organization** has been brought in Canada under the Companies' Creditors Arrangement Act, rules, regulations, orders or orders in council promulgated thereunder and amendments thereto, or (iii) the **Organization** becomes a debtor in possession under the United States Bankruptcy Code.

Insured, either in the singular or plural, means any **Organization** or any **Insured Person**.

Insured Capacity means the position held by any **Insured Person** in any **Organization**, but shall not include any position in any entity other than such **Organization**, even if such **Organization** directed or requested such **Insured Person** to serve in such other position;

Insured Person means any natural person who has been, now is or shall become a duly elected director or trustee, duly elected or appointed officer, employee or committee member (whether or not salaried) of an **Organization**, and any natural person acting in a voluntary capacity on behalf of an **Organization** and at the specific direction of such **Organization**.

Interrelated Wrongful Acts means all causally connected **Wrongful Acts**.

Loss means the total amount covered under this policy which any **Insured** becomes legally obligated to pay on account of any **Claim** made against any **Insured** for **Wrongful Acts** for which coverage applies, including, but not limited to, damages, judgements, settlements, costs and **Defence Costs**. **Loss** does not include (i) any amount not indemnified by an **Organization** for which any **Insured Person** is absolved from payment by reason of any covenant, agreement or court order, (ii) any amount incurred by any **Organization** (including its board of directors or any committee of the board of directors) in connection with the investigation or evaluation of a **Claim** or potential **Claim** by or on behalf of any **Organization**, (iii) the future salary or **Benefits** of an **Insured Person** who has been or shall be hired, promoted or reinstated to employment, whose employment has been or shall be continued or whose salary or **Benefits** have been increased pursuant to a settlement, order or other resolution, (iv) with respect only to a **Claim** for **Employment Practices**, salary, wages and/or commissions payable to an **Insured Person** for services performed for any **Organization** while employed with any **Organization**, (v) fines or penalties (including punitive or exemplary damages) imposed by law, (vi) the multiple portion of any multiplied damage award, or (vii) matters uninsurable under the law pursuant to which this policy is construed.

NOT FOR PROFIT ORGANIZATION LIABILITY POLICY

Definitions (continued)

Organization means any entity designated in Item 1 of the Declarations.

Personal Injury or **Publishers' Liability** means a **Wrongful Act** constituting false arrest, wrongful detention or imprisonment, malicious prosecution, non-employment-related defamation, non-employment-related invasion of privacy, wrongful entry or eviction, infringement of copyright or trademark, unauthorized use of title, plagiarism, or misappropriation of ideas.

Policy Period means the period of time specified in Item 4 of the Declarations, subject to prior termination in accordance with section 24 of this policy.

Policy Year means the period of one year following the inception of this policy or any anniversary thereof, or, if the time between inception or any anniversary and the termination of this policy in accordance with section 24 is less than one year, the lesser period.

Pollutants means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by or identified on a list of hazardous substances issued under or by the Canadian Environmental Protection Act, the United States Environmental Protection Agency or any federal, provincial, territorial, state, county, municipal or local counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odour, waste water, oil, oil products, infectious or medical waste, asbestos or asbestos products and any noise.

Spouse means either of a man and woman who:

- (i) are married to each other, or
- (ii) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting the relationship.

Subsidiary means in Canada, any Not-For-Profit Corporation incorporated under Part II of the Canada Corporations Act or under any similar provisions of any provincial or territorial act, or, in the United States of America, any non-profit corporation, community chest, fund or foundation that is exempt from federal income tax in the United States of America as an organization described in section 501 (c)(3) of the Internal Revenue Code of 1986, as amended, if more than 50% of the outstanding securities, shares, or voting rights representing the present right to vote for the election of directors in such entity is owned or controlled, directly or indirectly, in any combination, by one or more **Organizations**.

Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted, or allegedly committed or attempted by an **Organization** or by an **Insured Person**, individually or otherwise, in his or her **Insured Capacity**, or any matter claimed against such **Insured Person** solely by reason of serving in such **Insured Capacity**.