

NON-OWNED AUTOMOBILE ENDORSEMENT

Attached to and forming part of the Policy

INSURING AGREEMENT – SECTION A - THIRD PARTY LIABILITY

In consideration of the payment of the premium specified and of the statements contained on the Declaration Page and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated.

The Insurer agrees to indemnify the Insured against the liability imposed by law upon the Insured for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in the name of the Insured, and resulting from

Bodily injury to or the death of any person or damage to property of others not in the care, custody or control of the Insured;

subject to the limit stated on the Declaration Page for this Endorsement (exclusive of interest and costs) for loss or damage resulting from bodily injury to or the death of one or more persons, and for loss or damage to property, regardless of the number of claims arising from any one accident:

Provided always the Insurer shall not be liable under this Endorsement:

- (a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the Insured is an individual; or
- *(b) for any liability, imposed upon any person insured by this Endorsement:
 - (i) by any workmen's compensation law; or
 - (ii) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- (c) for any liability assumed by any person insured by this Endorsement voluntarily under any contract or agreement; or
- (d) for loss or damage to property carried in or upon an automobile personally driven by any person insured by this Endorsement or to any property owned or rented by, or in the care, custody or control of any such person; or
- (e) for any amount in excess of the limit stated on the Declaration Page for this Endorsement, and expenditures provided for in the Additional Agreements of this Endorsement; subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

**Not applicable in the Province of Ontario.*

ADDITIONAL AGREEMENTS OF INSURER

Where indemnity is provided by this Endorsement, the Insurer further agrees:

- (a) upon receipt of notice of loss or damage caused to persons or property to serve any person insured by this Endorsement by such investigation thereof, or by such negotiations with the claimant, or by such settlement of any resulting claims, as may be deemed expedient by the Insurer; and
- (b) to defend in the name and on behalf of any person insured by this Endorsement and at the cost of the Insurer any civil action which may at any time be brought against such person on account of such loss or damage to persons or property; and
- (c) to pay all costs taxed against any person insured by this Endorsement in any civil action defended by the Insurer and any interest accruing after entry of judgment upon that part of the judgment which is within the limits of the Insurer's liability; and
- (d) in case the injury be to a person, reimburse any person insured by this Endorsement for outlay for such medical aid as may be immediately necessary at the time of such injury; and
- (e) be liable up to the minimum limits(s) prescribed for that province or territory of Canada in which the accident occurred, if that limit(s) is higher than the limit stated on the Declaration Page; and
- (f) not set up any defense to a claim that might not be set up if this Endorsement were a motor vehicle liability policy issued in the province or territory of Canada in which the accident occurred.

AGREEMENTS OF INSURED

Where indemnity is provided by this Endorsement, every person insured by this Endorsement:

- (a) by the acceptance of this Endorsement, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the Insured arising out of the use or operation of an automobile with respect to which insurance is provided hereunder;
- (b) shall reimburse the Insurer, upon demand, in the amount which the Insurer has paid by reason of the provisions of any statute relating to automobile insurance and which the Insurer would not otherwise be liable to pay under this Endorsement.

GENERAL PROVISIONS AND DEFINITIONS

1. Additional Insureds

The Insurer agrees to indemnify in the same manner and to the same extent as if named herein as the Insured, every partner, officer or employee of the Insured who, with the consent of the owner thereof, personally drives (a) in the business of the Insured stated in Item 3 of the application, any automobile not owned in whole or in part by or licensed in the name of (i) the Insured, or (ii) such additional Insured person, or (iii) any person or persons residing in the same dwelling premises as the Insured or such additional insured person, or (b) any automobile hired or leased in the name of the Insured except an automobile owned in whole or in part or licensed in the name of such additional insured person.

2. Territory

This Endorsement applies only to the use or operation of automobiles within Canada or the United States of America or upon a vessel plying between ports of those countries.

3. Hired Automobile Defined

The term "Hired Automobiles" as used in this Endorsement means automobiles hired or leased from others with or without drivers, used under the control of the Insured in the business stated on the "Declaration Page", but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

4. Automobiles Operated Under Contract Defined

The term "Automobiles Operated under Contract" as used in this Endorsement shall mean automobiles operated in the business of the Insured stated in Item 3 of application where the complete supervision, direction and control of such automobiles remain with the owner thereof, but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the Insured.

5. Two Or More Automobiles

When two or more automobiles are insured hereunder the terms of this Endorsement shall apply separately to each, but a motor vehicle and a trailer or trailers attached thereto shall be held to be one automobile as respects third party liability.

STATUTORY CONDITIONS

The insurance provided under this coverage is subject to the "Standard Non-Owned Automobile Policy" and the "Automobile Statutory Conditions" approved by the Superintendent of Insurance for the Province in which this Endorsement is issued.

OPTIONAL ENDORSEMENTS

The following endorsement(s), are applicable only when specifically shown on the Declaration Page.

EXCLUDING LONG TERM LEASED VEHICLE ENDORSEMENT (S.E.F. No. 99)

The following clause limits the coverage provided under the Non-Owned Automobile Liability Endorsement. This change limits coverage.

It is understood and agreed that Item 3 (Hired Automobiles Defined) of General Provisions and Definitions of the Non-Owned Automobile Endorsement to which this Endorsement is attached is hereby amended to read as follows:

The term "Hired Automobiles" as used in this Endorsement means:

- (a) automobiles hired or leased from others with drivers or
- (b) hired or leased by the named Insured from others without driver for periods not exceeding 30 days, used under the control of the Insured in the business stated on the Declaration Page but shall not include any automobile owned in whole or in part by or licensed in the name of the Insured or any partner, officer or employee of the insured.

CONTRACTUAL LIABILITY ENDORSEMENT (S.E.F. No. 96)

It is understood and agreed that exclusion (c) of the Non-Owned Automobile Endorsement, Insuring Agreement – Section A – Third Party Liability, to which this Endorsement is attached is amended to read as follows:

- (c) for any liability assumed by any person insured by this policy voluntarily under any contract or agreement other than those stated below:

All written contracts entered into by the Insured.

Except as specifically modified by this Endorsement, the terms, conditions exclusions and limits of liability of the Policy are unchanged.

O.E.F. 98B

REDUCTION OF COVERAGE FOR LESSEES OR DRIVERS OF LEASED VEHICLES ENDORSEMENT

1. Purpose of this endorsement:

This endorsement alters the coverage provided by this policy with respect to claims in Ontario for loss or damage arising directly or indirectly from the use or operation of a motor vehicle that is leased.

2. How the policy coverage is changed:

- The Insurer also agrees to pay on behalf of every partner, officer or employee of the Insured who, in the business of the Insured stated in item 3 of the application, leases an automobile **for a period of not more than 30 days** in their own name, all sums which such partner, officer or employee is legally obligated to pay as a result of liability imposed by law arising from the negligence of the driver of such leased automobile(s).
- The insurance provided under this policy with respect to leased automobiles is in excess of the underlying coverage available to the Insured or to the partner, officer or employee of the Insured.
- Underlying coverage available to the Insured or to the partner, officer or employee of the Insured includes any motor vehicle liability insurance that is required to respond to the liability of the driver or lessee of the leased automobile.

The term leased, lease and lessee are used as equivalent to rented, rent and renter.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.