

NON PROFIT DIRECTORS' AND OFFICERS' LIABILITY INSURANCE RIDER

SCHEDULE

This is a claims made and reported "Rider". This "Rider" covers only "Claims" first made against the "Insured" during the "Policy Period" or "Discovery Period" (if purchased) and reported to the "Insurer" in accordance with the terms of this "Rider".

Please read the entire rider carefully

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- Item 1:** **Insured Organization Name and Address** (As noted on the CGL Policy Declarations)
- Item 2:** **Policy Period** (As noted on the CGL Policy Declarations)
(12:01 a.m. standard time at the postal address of the **Organization**)
- Item 3:** **Aggregate Limit of Liability** (As noted on the CGL Policy Declarations)

For all **Claims** first made against the **Insured** during the **Policy Period**
- Item 4:** **Discovery Period:** (As noted on the CGL Policy Declarations)
- Item 5:** **Retention Amount(s):** \$5,000.
A. Each Claim, except Claims for Non-Indemnified Loss or Employment Wrongful Acts
B. Employment Wrongful Acts
- Item 6:** **Prior Litigation Date:** (As noted on the CGL Policy Declarations)
- Item 7:** **Continuity Date:** (As noted on the CGL Policy Declarations)
- Item 8:** **Endorsements Effective at Inception:** (As noted on the CGL Policy Declarations)

Not-for-Profit Directors' and Officers' Liability Insurance Rider

This Rider provides claims made coverage. Various provisions in this Rider restrict coverage. Words and phrases in quotation marks have special meanings as defined. Read the entire Rider carefully to determine rights, duties and what is and is not covered.

In consideration of the premium, in reliance on the statements in the Application, and subject to the Declarations and all of the terms, exclusions, conditions and limitations of this Policy, the Insurer and the Insureds agree as follows:

I. INSURING AGREEMENTS

The Insurer shall pay on behalf of:

- A.** the "Insured Persons, Loss" for which the "Insured Persons" are not indemnified by the "Insured Organization";
- B.** the "Insured Organization, Loss" which the "Insured Organization" pays to or on behalf of the "Insured Persons" as indemnification; and
- C.** the "Insured Organization, Loss"

resulting from "Claims" for "Wrongful Acts", including without limitation "Employment Wrongful Acts" and "Personal Injury Wrongful Acts", first made during the "Policy Period" against the "Insureds" and reported to the Insurer in accordance with Paragraph C. of Section V. General Conditions and Limitations, of this Rider.

II. EXTENSIONS OF COVERAGE

A. Spousal Liability

If a "Claim" is made against an "Insured Person's" lawful spouse (including a domestic partner) solely by reason of (i) such spouse's legal status as a spouse of the "Insured Person", or (ii) such spouse's ownership interest in property which the claimant seeks as recovery for alleged "Wrongful Acts" of the "Insured Person", all loss which such spouse becomes legally obligated to pay by reason of such "Claim" shall be treated for purposes of this Rider as "Loss" which the "Insured Person" becomes legally obligated to pay on account of such "Claim". All terms and conditions of this Rider, including without limitation the Retention applicable to "Loss" other than "Defence Costs" incurred by such "Insured Person" in respect of the "Claim" shall also apply to such spousal loss. This coverage extension does not apply to the extent the "Claim" alleges any wrongful act or omission by the "Insured Person's" spouse.

B. Outside Directorship Liability

This Rider shall afford coverage for "Claims" for "Wrongful Acts" made against an "Insured Person" committed or attempted by such "Insured Person" who serves in an "Outside Position" with the knowledge and consent or at the specific request of the "Insured Organization".

Any coverage afforded by this extension to an "Insured Person" serving in an "Outside Position" shall be specifically excess of any indemnity or insurance available from, or provided by the "Outside Entity".

The amount that the Insurer will pay as a result of a "Claim" against an "Insured Person" serving in an "Outside Position" is limited as described in Paragraph A.2. of Section V. General Conditions and Limitations.

C. Discovery Period

If the "Insured Organization" terminates or refuses to renew or the Insurer refuses to renew this Rider, the "Insureds" shall have the right, upon payment of 50% of the annualized "Rider Premium", to elect an extension of coverage granted by this Rider for a "Discovery Period" of one (1) year following the effective date of termination or non-renewal. Such coverage extension shall apply to Claims made against the "Insureds" during the "Discovery Period", but only with respect to "Wrongful Acts" taking place prior to the effective date of termination or non-renewal.

The "Discovery Period" is subject to the following provisions:

- 1.** the "Discovery Period" does not increase or reinstate the Limit of Liability available prior to termination or non-renewal;
- 2.** the "Discovery Period" does not extend the "Policy Period" or change the scope of coverage provided;
- 3.** the Limit of Liability for all "Claims" made during the "Discovery Period" shall be only the remaining portion of the applicable Limit of Liability shown in the Declarations as of the effective date of termination or non-renewal;
- 4.** once elected, the "Discovery Period" cannot be terminated and the entire premium for the "Discovery Period" shall be deemed fully earned and non-refundable;

5. the right to elect the "Discovery Period" will lapse unless written notice of such election, together with payment of the additional premium due, is given by the "Insureds" to the Insurer within sixty (60) days following the effective date of termination or non-renewal; and
6. the "Insureds" shall not be entitled to elect this extension of coverage if a "Discovery Period" is elected pursuant to:
 - a. any termination resulting from non-payment of premium; or
 - b. Paragraph K.2. of Section V. General Conditions and Limitations, below.

D. Additional Limit of Liability (Side A Excess Coverage)

The Insurer hereby agrees to provide an additional Limit of Liability of \$1,000,000, solely for the benefit of "Insured Persons" for "Loss" that such "Insured Persons" may become legally obligated to pay solely by reason of a "Claim" for a "Wrongful Act" for which the "Insured Organization" is not permitted to indemnify, or is unable to indemnify the "Insured Persons" due to the "Financial Impairment" of the "Insured Organization".

This additional Limit of Liability shall be specifically excess of:

- a. the Limit of Liability stated in Item 3. of the Declarations; and
- b. any insurance that is stated to be specifically excess of this Rider, in which case such excess insurance must be completely exhausted before the Insurer shall have any obligation to make any payment for "Loss" under this extension of coverage.

III. DEFENCE, SETTLEMENT AND COOPERATION

The Insurer shall have the right and duty to defend any "Claim" covered by this Rider, even if any of the allegations are groundless, false or fraudulent.

"Defence Costs" incurred by the Insurer, or by the "Insureds" with the written consent of the Insurer, are in addition to the Limit of Liability. Payment by the Insurer of "Defence Costs" shall not reduce the Limit of Liability. The Insurer's right and duty to defend ends when the Limit of Liability has been exhausted as a result of the payment of "Loss" other than "Defence Costs".

The "Insureds" agree not to settle or offer to settle any "Claim", incur any "Defence Costs" or otherwise assume any contractual obligation or admit any liability with respect to any "Claim" without the Insurer's prior written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for (and any applicable Retention shall not be depleted or exhausted by) any settlement, "Defence Costs", assumed obligation or admission to which the Insurer has not consented.

The "Insureds" agree to provide the Insurer with all information, assistance and cooperation which the Insurer reasonably requests and agree that in the event of a "Claim" the "Insureds" will do nothing that shall prejudice the Insurer's position or its potential or actual rights of recovery. The Insurer may make any investigation it deems necessary.

IV. EXCLUSIONS

A. Exclusions Applicable to All Loss

The Insurer shall not be liable for "Loss" resulting from any "Claim" made against any "Insured":

1. based on, arising out of, or in any way involving any fact, circumstance or situation:
 - a. which has been the subject of any written notice given under any policy of which this Rider is a direct or indirect renewal or replacement;
 - b. underlying, alleged in or relating to any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding pending against any "Insured" on or prior to the Prior Litigation Date set forth in Item 6 of the Declarations for this Rider;
2. for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused or damage to or destruction of any tangible property, including loss of use thereof. Provided, however, that this exclusion shall not apply to:
 - a. allegations of mental anguish or emotional distress or disturbance advanced in a "Claim" for an "Employment Wrongful Act";
 - b. "Defence Costs" on account of any "Claim" which is a criminal proceeding pursuant to section 217.1 of the Criminal Code of Canada (as amended by Bill C-45), the United Kingdom Corporate Manslaughter and Corporate Homicide Act of 2007, or of any similar provision of any criminal code in any jurisdiction, against an Insured Person and which is commenced by either the return of a summons to witness or of an indictment or the laying of an information.
3. brought by or on behalf of the "Insured Organization" or any "Outside Entity"; provided, however, that this exclusion shall not apply to:

- a. "Defence Costs" under Insuring Agreement A;
 - b. any Claim that is a derivative action brought by or maintained on behalf of the "Insured Organization" or any "Outside Entity", so long as the "Claim" is brought or continued without the material assistance, solicitation, active participation, intervention or willing co-operation of any "Insured Person", any "Insured Person" who serves in an "Outside Position", the "Insured Organization" or any "Outside Entity";
 - c. any "Claim" brought and maintained by a liquidator, receiver, administrative receiver, trustee in bankruptcy, monitor or similar official of the "Insured Organization" or "Outside Entity" in the event of "Financial Impairment" of the "Insured Organization" or "Outside Entity";
 - d. Any "Claim" against an "Insured Person" brought by or on behalf of an "Insured Organization" formed and operating in a foreign jurisdiction, provided that such "Claim" is brought and maintained outside Canada, the United States, or any other common law country (including any territories thereof);
4. for a "Wrongful Act" by a "Subsidiary" or "Insured Person" of a "Subsidiary" to the extent the "Wrongful Act" occurred before the organization became a "Subsidiary" or after the organization ceased to be a "Subsidiary";
 5. alleging, based upon, arising from, directly or indirectly resulting from, in consequence of, or in any way involving or attributable, in whole or in part, to:
 - a. any deliberately fraudulent act or omission or any willful violation of any statute, law or regulation by an "Insured Person", if a final, non-appealable adjudication in an underlying action adverse to the "Insured Person" establishes such a deliberately fraudulent act or omission or willful violation; or
 - b. the gaining of any profit, remuneration or advantage to which an "Insured" was not legally entitled, if established by a final, non-appealable adjudication in an action or proceeding other than an action or proceeding initiated by the "Insurer" to determine coverage under the Rider;
 6. based on, arising out of, or in any way involving any written, oral, express or implied contract or agreement, provided, however, that this exclusion shall not apply to "Defence Costs" for "Claim" arising from an "Employment Wrongful Act";
 7. for liability of others assumed by any "Insured" under any written, oral, express or implied contract or agreement except to the extent that an "Insured" would have been liable in the absence of such contract or agreement;
 8. based on, arising out of, or in any way involving:
 - a. liability imposed by or arising from a nuclear liability act, law or statute, or any law amendatory thereof; or
 - b. any actual or alleged nuclear reaction, nuclear radiation, radioactive contamination, or radioactive substance, or the hazardous properties of nuclear or radioactive material;
 9. based on, arising out of, or in any way involving war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
 10. based upon, arising from, directly or indirectly resulting from, in consequence of, or in any way attributable, in whole or in part, to any actual or alleged violation of the responsibilities, obligations or duties imposed by any retirement or pension legislation anywhere in the world, including but not limited to the Pension Benefits Standards Act, 1985, R.S.C. c. 32 (2nd Supp.) Pension Benefits Act, R.S.O. 1990, c. P.8, the UK Pensions Act 1995 and the Employee Retirement Income Security Act of 1974 (USA) and any amendments thereto;

B. Exclusions Applicable to Loss other than Defence Costs

The Insurer shall not be liable for that portion of "Loss" other than "Defence Costs":

1. in connection with a "Claim" for an "Employment Wrongful Act":
 - a. which constitutes statutory termination or severance pay, or damages including but not restricted to pay in lieu of reasonable notice at common law or any amount stipulated to be paid to an employee under a contract of employment or a quasi-employment contract in the event of termination;
 - b. which constitutes amounts or damages awarded, including wages, costs awarded in proceedings, compensation or any other relief owing to an employee as a result of a violation of the Canada Labour Code Part III, rules, orders, orders in council or regulations promulgated thereunder and amendments thereto, or any similar federal, provincial, territorial or local statutory or civil law in Canada;
 - c. which constitutes "Benefits" due or to become due or the equivalent value of such "Benefits"; or
 - d. which constitutes the cost incurred by the "Insureds" of reinstating or failing to reinstate an employee to his or her employment or position pursuant to a judgment, order, award or other interim or final adjudication;

2. which constitutes the cost incurred by the “Insureds” to make any reasonable accommodation for any disabled person.

C. Severability of Exclusions

No fact pertaining to or knowledge possessed by any “Insured” shall be imputed to any other “Insured” for purposes of applying the exclusions set forth in this Section IV.

V. GENERAL CONDITIONS AND LIMITATIONS

A. Limit of Liability, Retention, and Priority of Payments

1. The amount stated in Item 3 of the Declarations for this Rider shall be the maximum aggregate liability of the Insurer under this Rider for all covered “Loss” excluding “Defence Costs” resulting from all “Claims” first made and reported during the “Policy Period”, regardless of the time of payment by the Insurer. “Defence Costs” shall be in addition to, and not reduce, the Limit of Liability, provided that such limit has not been previously exhausted by the payment of “Loss” other than “Defence Costs” or currently exhausted by the payment of “Loss” other than “Defence Costs”.
2. Payment by the Insurer as a result of a “Claim” against an “Insured Person” serving in an “Outside Position” shall reduce, by the amount of such payment, the Insurer’s Limit of Liability under this Rider.
3. The purchase of any “Discovery Period” shall not increase nor reinstate the applicable Limit of Liability, which shall be the Insurer’s maximum liability for the “Policy Period” and “Discovery Period” combined.
4. All “Claims” arising out of the same “Wrongful Act” or “Interrelated Wrongful Acts” shall be deemed one “Claim”, and such “Claim” shall be deemed to be first made on the date the earliest of such “Claims” is first made against any “Insured”, regardless of whether such date is before or during the “Policy Period”.
5. “Retention”

The Insurer’s liability with respect to “Loss” arising from any single “Claim” shall apply only to that part of such “Loss” which is excess of the applicable Retention set forth in Item 5 of the Declarations for this Rider subject to the following provisions:

- a. with respect to Section I. Insuring Agreements, no Retention shall apply to “Defence Costs”;
 - b. with respect to Paragraph A. of Section I. Insuring Agreements, no Retention shall apply to “Loss”;
 - c. with respect to Paragraphs B. or C. of Section I Insuring Agreements, the Retention set forth in Item 5(A) of the Declarations shall apply to “Loss” other than “Defence Costs” resulting from “Claims” that do not allege in whole or in part an “Employment Wrongful Act”;
 - d. with respect to Paragraphs B. or C. of Section I Insuring Agreements, the Retention set forth in Item 5(B) of the Declarations shall apply to “Loss” other than “Defence Costs” resulting from “Claims” that allege in whole or in part any “Employment Wrongful Act”;
 - e. should any “Claim” give rise to the application of more than one (1) Retention, then the highest of such Retentions shall be deemed the Retention applicable to “Loss” other than “Defence Costs” arising from such “Claim”; and
 - f. the “Insureds” shall bear uninsured and at their own risk the amount of any applicable Retention.
6. The Insurer shall pay “Loss” in the order in which “Loss” is presented to the Insurer for payment and accepted by the Insurer as constituting “Loss”. If “Loss” is payable concurrently under Insuring Agreement A and other Insuring Agreements, the Insurer will first pay “Loss” payable under Insuring Agreement A. The “Insured Organization” may elect through its Chief Executive Officer or equivalent position to decline or defer payment under Insuring Agreements B or C.

B. Allocation

If there is a “Claim” made against “Insureds” in which the “Insureds” who are afforded coverage for such “Claim” incur an amount consisting of both “Loss” that is covered and also loss that is not covered because such “Claim” involves either covered and non-covered allegations or covered and non-covered parties, or both, then coverage shall be allocated as follows:

1. one hundred percent (100%) of “Defence Costs” incurred by such “Insureds” from such “Claim” shall be considered covered “Loss”; and
2. for all loss other than “Defence Costs”, the “Insureds” and the Insurer shall fairly and reasonably allocate such amount between covered “Loss” and non-covered loss based on the relative legal exposure of the “Insureds” and non-covered parties. In the event that an allocation cannot be agreed to, then the Insurer shall advance an interim payment of the amount of “Loss” which the parties agree is not in dispute until such time as a final amount is agreed upon or determined through binding arbitration in accordance with the applicable legislation/regulations in the jurisdiction in which this Rider is issued.

C. Notice

The “Insureds” shall, as a condition precedent to their rights under the Rider, give to the Insurer written notice of any “Claim”, with full details, as soon as practicable but in no event later than sixty (60) days following the termination of the “Policy Period”. If the “Discovery Period” is elected under either Paragraph C. of Section II.

Extensions of Coverage, or Paragraph K.2. of Section V. General Conditions and Limitations, such written notice must be given to the Insurer as soon as practicable and prior to the expiry of the "Discovery Period". Any "Claim" which is the subject of written notice meeting the parameters specified in this paragraph shall be deemed to have been first made during the "Policy Period".

If during the "Policy Period" or "Discovery Period" (if elected) an "Insured" becomes aware of circumstances which could reasonably give rise to a "Claim" for a "Wrongful Act" and gives written notice of such circumstances and the other information referenced below to the Insurer, then any "Claim" subsequently arising from such circumstances shall be considered to have been first made during the "Policy Period" or "Discovery Period" in which the circumstances were first reported to the Insurer. Any such notice of circumstances shall include a description of the circumstances, the nature of the alleged "Wrongful Act", the nature of the alleged or potential damage, the names of actual or potential claimants and "Insureds" involved, and the manner in which the "Insureds" first became aware of the circumstances.

All notices under any provision of this Rider shall be in writing and given by actual delivery, prepaid express courier, registered or certified mail or fax properly addressed to the appropriate party. Notice to the "Insureds" may be given to the "Insured Organization" named in Item 1 of the Declarations at the address as shown in Item 1 of the Declarations. Notice to the Insurer shall be given to the Insurer at the address specified in the Declarations.

Notice given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee at the specified address.

D. Application, Representations and Severability

In granting coverage under this Rider, the Insurer has relied upon the statements and representations in the "Application". The "Insureds" represent that all such statements and representations are true and shall be deemed material to the acceptance of the risk assumed by the Insurer under this Rider.

The "Insureds" agree that in the event that any such statements and representations are untrue, this Rider shall not afford any coverage with respect to any of the following "Insureds":

1. any "Insured Person" who knew as of the effective date of coverage the facts that were not truthfully disclosed in the "Application",
2. any "Insured Organization", to the extent it indemnifies any "Insured Person" referenced in 1. above, and
3. any "Insured Organization", if the person who signed the "Application" knew as of the effective date of such coverage the facts that were not truthfully disclosed in the "Application", whether or not such "Insured" knew of such untruthful disclosure in the "Application".

E. Territory and Valuation

This Rider extends to "Wrongful Acts" taking place or "Claims" made anywhere in the world.

All premiums, Limits of Liability, 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 another 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 Bank of Canada's rate of exchange on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of "Loss" is due, respectively.

F. Subrogation

In the event of any payment under this Rider, the Insurer shall be subrogated to the extent of such payment to all the "Insureds" rights of recovery, including without limitation an "Insured's" right to indemnification or advancement from the "Insured Organization". The "Insureds" 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 Insurer effectively to bring suit in the name of the "Insureds".

G. Authorization Clause

By acceptance of this Rider, the "Insured Organization" named in Item 1 of the Declarations agrees to act on behalf of all "Insureds" with respect to the giving and receiving of notice of "Claim", the payment of premiums and the receiving of any return premiums that may become due under this Rider, the agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this Rider (except the giving of notice of election to purchase the "Discovery Period"), and the "Insureds" agree that such "Insured Organization" shall act on their behalf.

H. Alteration, Assignment, Headings and Interpretation

No change in, modification of, or assignment of interest under this Rider shall be effective except when made by a written endorsement to this Rider which is signed by an authorized representative of the Insurer.

The titles and headings to the various sections, subsections and endorsements of this Rider are included solely for ease of reference and do not in any way limit, expand or otherwise affect the provisions of such sections, subsections or endorsements.

In this Rider, the singular includes the plural and vice versa.

I. Other Insurance

This Rider shall be specifically excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise or under which there is a duty to defend), unless such other insurance is specifically stated to be in excess of this Rider by reference in such other policy to the Policy Number of the policy to which this Rider is attached. In no event shall this Rider be construed to contribute ratably with any such other insurance. This Rider shall not follow the terms of any other insurance.

J. No Action Against the Insurer

No action may be taken against the Insurer unless, as a condition precedent thereto, there has been full compliance with all of the terms of this Rider and the amount of the "Insureds" obligation to pay has been finally determined either by judgment against the "Insured" after actual trial, or by written agreement of the "Insured", the claimant and the Insurer.

No person or entity shall have any right under this Rider to join the Insurer as a party to any "Claim" to determine the liability of any "Insured", nor may the Insurer be impleaded by an "Insured" or his or her legal representative in any such "Claim". The Insurer will not be relieved of any of its obligations under this Rider by the bankruptcy or insolvency of any of the "Insureds" or their estates.

K. Transactions Changing Coverage

1. Acquisition or Creation of Another Organization

If, during the "Policy Period", the "Insured Organization":

- a. acquires an interest in or creates another "Not-for-Profit Organization", which as a result of such acquisition or creation becomes a Subsidiary, or
- b. acquires any "Not-for-Profit Organization" by merger into or consolidation with the "Insured Organization",

such "Not-for-Profit Organization" and its "Insured Persons" shall be covered under this Rider but only with respect to "Wrongful Acts" taking place after such acquisition or creation unless the Insurer agrees to provide coverage by endorsement for wrongful acts taking place and loss incurred prior to such acquisition or creation.

If the fair value of all cash, securities, assumed indebtedness and other consideration paid by the "Insured Organization" for any such acquisition or creation exceeds thirty-five percent (35%) of the total assets of the "Insured Organization" named in item 1 of the Declarations as reflected in such "Insured Organization's" then most recent consolidated financial statements, such "Insured Organization", as a condition precedent to coverage with respect to such "Insureds", shall give written notice of such acquisition or creation to the Insurer as soon as practicable and shall pay any reasonable additional premium required by the Insurer.

2. Acquisition of Insured Organization

If, during the "Policy Period", any of the following events occurs:

- a. the acquisition of the "Insured Organization" named in Item 1 of the Declarations, or of all or substantially all of its assets, by another entity, or the merger or consolidation of such "Insured Organization" into or with another entity such that the "Insured Organization" is not the surviving entity; or
- b. the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least fifty percent (50%) of the directors or trustees of such "Insured Organization",

coverage will continue in full force and effect until expiry of the "Policy Period" with respect to "Claims" for "Wrongful Acts" taking place before such event, but coverage will cease with respect to "Claims" for "Wrongful Acts" taking place after such event.

If either such event occurs, the "Insureds" shall have the right, upon payment of 50% of the annualized "Rider Premium" for the "Policy Period" in which the event occurs to elect an extension of the coverage under this Rider for a "Discovery Period" of one (1) year following the expiry of the "Policy Period". Such coverage extension shall apply to "Claims" made against the "Insureds" during the "Discovery Period", but only with respect to "Wrongful Acts" taking place prior to the effective date of the event.

The "Discovery Period" is subject to the following provisions:

- a. the "Discovery Period" does not increase or reinstate the Limit of Liability available prior to the event;
- b. the "Discovery Period" does not extend the "Policy Period" or change the scope of coverage provided;
- c. the Limit of Liability for all "Claims" made during the "Discovery Period" shall be only the remaining portion of the applicable Limit of Liability shown in the Declarations as of the effective date of the event;
- d. once elected, the "Discovery Period" cannot be terminated and the entire premium for the "Discovery Period" shall be deemed fully earned and non-refundable;
- e. the right to elect the "Discovery Period" will lapse unless written notice of such election, together with payment of the additional premium due, is given by the "Insureds" to the Insurer within sixty (60) days following the effective date of the event; and
- f. the "Insureds" shall not be entitled to elect this extension of coverage if a "Discovery Period" is elected pursuant to:
 - 1. any termination resulting from non-payment of premium; or
 - 2. Paragraph C. of Section II. Extensions of Coverage, above.

3. Cessation of Subsidiaries

If before or during the "Policy Period" an organization ceases to be a "Subsidiary", coverage with respect to such "Subsidiary" and its "Insured Persons" shall continue until termination of this Rider. Such coverage continuation shall apply only with respect to "Claims" for "Wrongful Acts" committed prior to the date such organization ceased to be a "Subsidiary".

L. Termination of Rider

This Rider shall terminate at the earliest of the following times:

- 1. the effective date of termination specified in a prior written notice to the Insurer by the "Insured Organization" named in Item 1 of the Declarations, provided that this Rider may not be terminated by such "Insured Organization" after the effective date of an event described in Paragraph K.2. of this section, above;
- 2. upon expiration of the "Policy Period" as set forth in Item 2 of the Declarations;
- 3. fifteen (15) days after receipt by the "Insured Organization" named in Item 1 of the Declarations of a written notice of termination from the Insurer for failure to pay a premium when due, unless the premium is paid within such fifteen (15) day period; or
- 4. at such other time as may be agreed upon by the Insurer and the "Insured Organization" named in Item 1 of the Declarations.
- 5. The Insurer shall give written notice to the "Insured Organization" 60 days in advance of the "Policy Period" expiry date, in the event the Insurer intends to non-renew this Policy.

Upon termination, the Insurer shall refund any unearned premium on a *pro rata* basis. Payment or tender of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of termination, but such payment shall be made as soon as practicable.

M. Dispute Resolution

Only if requested by the "Insureds", the Insurer shall submit any dispute, controversy or claim arising out of or relating to this Rider or the breach, termination or invalidity thereof to final and binding arbitration in accordance with the applicable arbitration legislation/regulations in the jurisdiction in which this Rider is issued

In such event the decision of the arbitrator(s) will be final and binding upon all parties to the dispute with no right of appeal. In any such arbitration, each party will bear its own legal fees and expenses. The costs and expenses of the arbitration shall be shared equally by the parties to the dispute unless otherwise agreed.

N. Non-Rescindability

The coverage provided under this Rider shall be non-rescindable with respect to any "Insured Person" who, as of the effective date of this Rider, was unaware of the facts that were not truthfully disclosed on the "Application".

VI. DEFINITIONS

When used in this policy:

- A.** "Application" means:
1. all signed applications, including materials and attachments prepared specifically for and submitted therewith, for this Rider and for any similar policy in an uninterrupted series of policies issued by the Insurer of which this Rider is a renewal or replacement; and
 2. if applicable, the written application submitted by the "Insureds" to another insurer in respect of the prior similar policy incepting as of the Continuity Date set forth in Item 7 of the Declarations for this Rider.
- All such applications, attachments and materials are deemed attached to and incorporated into this Rider.
- B.** "Benefits" means perquisites, fringe benefits, amounts due or payments made in connection with an employee benefit plan, share or stock options or any other right to purchase, acquire or sell shares or stock, and any other obligation or payment, other than salary or wages, to or for the benefit of an employee arising out of the employment relationship.
- C.** "Claim" means:
1. a written demand for monetary damages or non-monetary relief;
 2. a civil proceeding commenced by the issuance of a Notice of Action, Statement of Claim, Writ of Summons, Complaint or similar pleading;
 3. a criminal proceeding commenced by the laying of an information or the return of an indictment;
 4. a formal civil administrative or regulatory proceeding commenced by the filing of a notice of charge, formal investigative order or similar document; or
 5. an arbitration, mediation or similar alternative dispute resolution proceeding if the "Insured" is obligated to participate in such proceeding, or if the "Insured" agrees to participate in such proceeding with the Insurer's written consent, which shall not be unreasonably withheld;
 6. an "Extradition Proceeding";
- against any "Insured" for a "Wrongful Act", including any appeal therefrom, but only from the date upon which any "Insured", including the "Insured Organization", is notified thereof.
- D.** "Defence Costs" means that part of "Loss" consisting of necessary and reasonable costs, charges, fees (including but not limited to legal fees and experts' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of the directors, officers or employees of the "Insured Organization") incurred in defending or investigating "Claims" or assisting the Insurer in investigating or defending "Claims" pursuant to the Insurer's written request, and the premium for appeal, attachment or similar bonds, but without any obligation to apply for or furnish any such bonds.
- E.** "Discovery Period" means the period of coverage extension as provided in Paragraph C. of Section II. Extensions of Coverage, or Paragraph K.2. of Section V. General Conditions and Limitations, above. Any "Claim" first made during the "Discovery Period" shall be deemed to have been first made during the immediately preceding "Policy Period".
- F.** "Employment Wrongful Act" means any "Wrongful Act" committed or attempted by any one or more "Insured Persons" in their capacities as such against any past, present or prospective employee or volunteer in connection with any actual or alleged:
1. wrongful dismissal, discharge or termination of employment;
 2. breach of any oral, written or implied employment contract or quasi-employment contract;
 3. wrongful demotion;
 4. employment-related misrepresentation;
 5. violation of employment discrimination laws (including sexual or other illegal workplace harassment);
 6. wrongful failure to employ, train or promote;
 7. wrongful discipline;
 8. wrongful deprivation of a career opportunity;
 9. failure to grant tenure or denial or deprivation of seniority;
 10. failure to adopt and enforce adequate workplace or employment policies and procedures;
 11. illegal retaliatory treatment;
 12. negligent supervision or evaluation;
 13. employment-related invasion of privacy;
 14. employment-related libel, slander, humiliation and defamation; or
 15. employment-related wrongful infliction of emotional distress.

- G.** “Extradition Proceeding” means a formal written request, pursuant to an applicable treaty, from one country (“the Requesting Country”) to another (“the Requested Country”) to have an “Insured Person” extradited from the Requested Country to the Requesting Country.
- H.** “Financially Impaired” means:
1. in Canada, the status of the “Insured Organization” resulting from (1) the appointment by the Official Receiver or any court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage, wind up or liquidate the “Insured Organization”, including without limitation an order made under the Winding Up and Restructuring Act (the “WURA”), under the Bankruptcy and Insolvency Act (the “BIA”), or under any incorporating statute; or (2) the making by the “Insured Organization” of a general assignment for the benefit of creditors under the BIA or similar statute providing for the assignment by debtors of assets for the benefit of creditors, or the making of a resolution by the directors of the “Insured Organization” to wind up its affairs under the WURA or under any incorporating statute; or (3) the commencement of any proceedings in respect of the “Insured Organization” under the Companies’ Creditors Arrangement Act, the proposal provisions of the BIA or any other similar statute;
 2. in the United States of America, the status of the “Insured Organization” resulting from (1) the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the “Insured Organization”; or (2) the “Insured Organization” becoming a debtor in possession; or
 3. in a country other than Canada or the United States of America, the status of the “Insured Organization” resulting from events similar to those events referred to in (1) and (2) above pursuant to the law(s) of such other jurisdiction.
- I.** “Insured Organization” means the entity named in Item 1 of the Declarations, and its “Subsidiaries”.
- J.** “Insured Persons” means any past, present or future duly elected or appointed directors (including de facto or “deemed” directors), trustees, officers (including any foreign equivalent of such directors, trustees, and officers), employees or volunteers of the “Insured Organization”, or any member of the staff, faculty or duly constituted committee of the “Insured Organization”. In the event of the death, incompetence, insolvency or bankruptcy of an Insured Person, any “Claim” against the estate, heirs, legal representative or assigns of such “Insured Person” for a “Wrongful Act” will be deemed to be a “Claim” against such “Insured Person”.
- K.** “Insureds” means the “Insured Organization” and/or the “Insured Persons”.
- L.** “Interrelated Wrongful Acts” means all “Wrongful Acts” that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes.
- M.** “Loss” means damages, judgments, settlements, (including pre/post-judgment interest on a covered judgment), “Defence Costs”, and shall also include the following:
- a. “Defence Costs” incurred by the “Insured” in connection with the defence or appeal of an “Extradition Proceeding”, the premium for a bail bond, if bail is available for an “Extradition Proceeding” in the country at issue, but the “Insurer” shall be under no obligation to provide such bail bond;
 - b. unpaid statutory liabilities of the “Insured Organization” arising under the laws of Canada, the laws of any province or territory of Canada or the laws of any municipality therein, which an “Insured Person” becomes legally obligated to pay by virtue of his or her status as an “Insured Person”, including but not limited to, amounts statutorily assessed against an “Insured Person” that no “Insured Organization” has indemnified, pursuant to Section 227.1 of the Canadian Income Tax Act, Section 323 of the Canadian Excise Tax Act, Section 43 of the Ontario Retail Sales Tax Act, or any Canadian provincial or local tax statute law imposing comparable tax liability upon an “Insured Person”, and any interest and/or penalties related thereto;
 - c. civil penalties (when insurable) assessed against any “Insured Person” pursuant to Section 2(g)(2)(B) of the Foreign Corrupt Practices Act, 15 U.S.C. §78dd-2(g)(2)(B) or Section 4(2) and 5.5(2) of the Corruption of Public Officials Act of Canada;

However, “Loss” does not include:

1. taxes (except as provided in M. b) above), fines or penalties or other matters uninsurable under the law pursuant to which this Policy is construed;
2. cleanup costs relating to “Pollutants” that result in the release of hazardous materials or “Pollutants”;

3. any amounts for which an "Insured" is not financially liable or which are without legal recourse to an "Insured";
 4. punitive, exemplary damages or multiplied damages (except where insurable under the applicable law most favourable to the insurability of such damages provided such jurisdiction has a substantial relationship to the "Insured", and where insurable;
 5. any portion of damages, judgments, settlements in respect of any "Claim" alleging that an "Insured" paid or proposed to pay for the acquisition or completion of all or substantially all of the ownership interest in, or assets of, an entity was inadequate. However, this paragraph shall not apply to "Defence Costs" or "Loss" as is otherwise covered under Insuring Agreement A;
- N.** "Not-for-Profit Organization" means:
1. in Canada, any agricultural organization, board of trade or chamber of commerce, registered charity or not-for-profit organization, as described under Subsection 149(1) of the Income Tax Act (Canada), as amended;
 2. in a jurisdiction other than Canada, any entity similar to that described in (1) above, that is generally exempt from income tax in such other jurisdiction.
- O.** "Outside Entity" means any "Not-for-Profit Organization" (other than the "Insured Organization") in which an "Insured Person" of the "Insured Organization" serves in an "Outside Position".
- P.** "Outside Position" means the service by an "Insured Person" as a duly elected or appointed director, officer, or trustee of an "Outside Entity", if service in such position is with the knowledge and consent or at the specific request of the "Insured Organization".
- Q.** "Personal Injury Wrongful Act" means any "Wrongful Act" in connection with any actual or alleged defamation including libel/slander, false arrest, wrongful detention or imprisonment, malicious prosecution, invasion of privacy or wrongful entry or eviction which is not otherwise covered under this Rider as an "Employment Wrongful Act".
- R.** "Policy Period" means the period of time specified in Item 2 of the Declarations, subject to prior termination in accordance with Paragraph L. of Section V. General Conditions and Limitations.
- S.** "Rider Premium" means the original premium and the fully annualized amount of any additional premiums (other than the "Discovery Period" premium) charged by the Insurer for or during the "Policy Period".
- T.** "Pollutants" means any substance whose discharge, release, escape, seepage, migration, dispersal or disposal, whether abnormal as to quantity or quality, creates an adverse effect. "Pollutants" include 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, municipality or locality counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials. "Pollutants" also shall mean any other air emission, odour, waste water, oil or oil products, infectious or medical waste, biological contaminants including fungi, asbestos or asbestos products, electric or magnetic or electromagnetic fields and noise.
- U.** "Subsidiary" means:
1. any "Not-for-Profit Organization" in respect of which the "Insured Organization" owns or controls more than fifty (50%) of the outstanding securities or voting rights representing the right to elect or appoint such "Not-for-Profit Organization's" directors, trustees, or equivalent governing body, or in cases where no securities have been issued, the ability to control or direct such "Not-for-Profit Organization's" managerial decisions; and
 2. any other organization specifically included as a "Subsidiary" by written endorsement to this Policy.

V. "Wrongful Act" means:

1. any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted before or during the "Policy Period" by any of the "Insured Persons" in their capacity as such, or by the "Insured Organization";
2. any matter claimed against the "Insured Persons" solely by reason of their serving in such capacity;
3. any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted before or during the "Policy Period" by any of the "Insured Persons" serving in an "Outside Position" in their capacity as such;
4. any matter claimed against the "Insured Persons" serving in an "Outside Position" solely by reason of their serving in such capacity.

**ENDORSEMENT 001
LIBERALIZATION CLAUSE**

Attached to and forming part of the Not-For-Profit Directors', Officers' Liability Insurance Rider NP-D&O 01-2015

It is agreed that:

1. If and to the extent "Loss" on account of any "Claim" first made during the "Policy Period" would have been covered under the "Expiring Rider NP-D&O 01-2011" and such "Loss" is not covered under this rider, then this rider is amended to follow and be subject to the terms and conditions of the "Expiring Rider" in respect of such "Loss", provided the following terms of this rider shall not be amended by reason of this endorsement: the Limits of Liability in Item 3 of the Declarations; the Policy Period in Item 2 of the Declarations; and the Retention Amount in Item 5 of the Declarations.
2. Section III. DEFINITIONS, is amended by adding the following:
"Application" means all materials and information, including all signed "Applications" and any materials attached thereto or incorporated therein, submitted to the Underwriter in connection with the underwriting of this rider and the "Expiring Rider" and all publicly available documents filed by the "Company" with the Ontario Securities Commission, the United States Securities and Exchange Commission, or any other similar federal, provincial or territorial body, beginning twelve (12) months preceding inceptions of the "Expiring Rider". The "Application" is deemed attached to and incorporated into this policy.
"Expiring Rider" means the Policy issued by the Underwriter to the "Company" and all endorsements attached thereto, including the "Application".

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.