



# HUB International Coastal Insurance Brokers

401 - 130 Brew Street, Port Moody, BC V3H 0E3 T: 604-937-1700 F: 604-937-1734  
TF: 1-800-665-3310 www.hubcoastal.ca E: coastalinfo@hubinternational.com

*Mountain View*  
**ORIGINAL COPY**  
*Insurance*

Policy No. **CLMS2284**

## DECLARATIONS

Name of Insured:	The Owners of Strata Plan LMS 2284 Mountain View Village
Location Address:	223 Mountain Highway, North Vancouver, BC, 1460 & 1488 Main Street, North Vancouver, BC V7J 3V3
Additional Named Insured:	Pacific Quorum Properties Inc, 430 - 1200 West 73rd Avenue, Vancouver, BC V6P 6G5
Policy Period:	12/31/12 to 12/31/13 (mm/dd/yy) 12:01 a.m. Standard Time
Loss Payable to:	The Insured or Order in Accordance with the Strata Property Act of British Columbia.
Additional Insured:	The District of North Vancouver with respect to Commercial General Liability coverage.
Insurers:	As Per List of Participating Insurers Attached.

Insurance is provided subject to the Declarations, Terms, Conditions, Limitations and Endorsements of this policy and only for those coverages for which specific limits or amounts of Insurance are shown on this Declaration Page.

INSURING AGREEMENTS	Deductibles (\$)	Limits (\$)
<b>PROPERTY COVERAGES - STR (06/08)</b> All Property, All Risks, Guaranteed Replacement Cost, Bylaws Water Damage Backup of Sewers, Sumps, Septic Tanks or Drains Earthquake Damage Flood Damage Key & Lock	1,000 10,000 10,000 10% 10,000 250	20,158,000 Included Included Included Included 10,000
<b>BLANKET EXTERIOR GLASS INSURANCE - Form 820000 (02/06)</b> Residential Commercial	100 250	Blanket
<b>COMMERCIAL GENERAL LIABILITY - Form 000102-10 (06/12)</b> Each Occurrence Limit General Aggregate Limit Coverage A - Bodily Injury & Property Damage Liability - <i>Per Occurrence</i> Products & Completed Operations - <i>Aggregate</i> Coverage B - Personal Injury Liability - <i>Per Occurrence</i> Non-Owned Automobile - SPF #6 - Form 335002-02 - <i>Per Occurrence</i>	500 500 500	5,000,000 10,000,000 5,000,000 10,000,000 5,000,000 5,000,000
<b>STRATA DIRECTORS &amp; OFFICERS LIABILITY - Form NP-397749 (03/12)</b>	NIL	2,000,000
<b>POLLUTION &amp; REMEDIATION LEGAL LIABILITY - Form XLICL-PARL6CP-CN0510 (01/11)</b> Limit of Liability - Each Loss, Remediation Expense or Legal Defense Expense	10,000 Retention	1,000,000
<b>VOLUNTEER ACCIDENT INSURANCE PLAN - Policy # 9224344 (06/12)- Plan I</b> Principal Sum - \$100,000 Weekly Accident Indemnity - \$500 (maximum 52 weeks) Accident Expenses - various up to \$10,000 (see policy wording) Dental Expense - \$2,500	7 Day Waiting Period	100,000
<b>COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION - Form 500000 (01/00)</b> Coverage I Employee Dishonesty - Form A - <i>Aggregate</i> Coverages II, III, IV and V - Broad Form Money & Securities - <i>Aggregate Limit each coverage</i>	Nil Nil	25,000 10,000
<b>EQUIPMENT BREAKDOWN</b> I Standard Comprehensive Plus, Replacement Cost - Form C780016 (01/11) II Consequential Damage, 90% Co-Insurance - Form C780032 (01/11) III Extra Expense - Form C780033 (01/11) IV Profits - Form C780034 (01/11)	1,000 1,000 24 Hour Waiting Period 24 Hour Waiting Period	20,158,000 25,000 100,000 100,000
<b>PLATINUM LEGAL EXPENSE PROTECTION - CLARK WILSON LLP</b> Legal advice and exclusive benefits for Strata Corporation. See Contract for details.	Per Contract	Not Included

**\*\*ALL COVERAGES SUBJECT TO POLICY DEFINITIONS\*\***  
This Policy contains a clause(s), which may limit the amount payable. This policy shall not be valid or binding unless countersigned by a duly Authorized Representative of the Insurer.

**Vice President**  
**HUB International Coastal Insurance Brokers**



# HUB International Coastal Insurance Brokers

401 – 130 Brew Street, Port Moody, BC V3H 0E3 T: 604-937-1700 F: 604-937-1734  
 TF: 1-800-665-3310 www.hubcoastal.ca E: coastalinfo@hubinternational.com

## SCHEDULE OF PARTICIPATING INSURERS

For The Owners of Strata Plan LMS 2284 Mountain View Village  
 Policy # CLMS2284

Term: 12/31/12 to 12/31/13 (mm/dd/yy) 12:01 a.m. Standard Time

Insurer	Coverage	%	Limit (\$)
Aviva Insurance Company of Canada	Property	35	7,055,300
Intact Insurance Company	Property	35	7,055,300
Royal & Sun Alliance Insurance Company of Canada	Property	30	6,047,400
Aviva Insurance Company of Canada	Commercial General Liability Per Occurrence Limit General Aggregate Limit	100	5,000,000 10,000,000
Encon Group Inc.	Directors & Officers Liability	100	2,000,000
Aviva Insurance Company of Canada	Employee Dishonesty – Form A	100	25,000
Aviva Insurance Company of Canada	Comprehensive Dishonesty, Disappearance and Destruction	100	10,000
Aviva Insurance Company of Canada	Glass	100	Blanket Exterior Coverage
XL Insurance Company Ltd.	Pollution & Remediation Legal Liability	100	1,000,000
Aviva Insurance Company of Canada	Equipment Breakdown	100	20,158,000
SSQ Insurance Company	Volunteer Accident Insurance Plan I	100	100,000

**DISCLOSURE NOTICE - UNDER THE FINANCIAL INSTITUTIONS ACT**

The Financial Institutions act requires that the information contained in this Disclosure Notice be provided to a customer in writing at the time of entering into an insurance transaction.

1. I, Dave Terry, am licensed as a general insurance agent by the Insurance Council of British Columbia
2. This transaction is between you and Aviva Insurance Company of Canada Intact Insurance Company Royal & Sun Alliance Insurance Company of Canada (Insurer) and as indicated on the policies.
3. In soliciting the transaction described above, I am representing HUB International Coastal Insurance Brokers who does business with the Insurer
4. The nature and extent of the Insurer's interest in the agency is none
5. Upon completion of this transaction, the agent will be remunerated by way of commission or fee by the Insurer
6. The Financial Institutions act prohibits the Insurer from requiring you to transact additional or other business with the Insurer or any other person or Corporation as a condition of this transaction.

Other Providers	Services		
Clark Wilson LLP	Platinum Legal Expense Protection		Not Included
		<b>Total Premium</b>	<b>\$41,788</b>

E&OE/SA

Insured's Copy

## STRATA DIRECTORS & OFFICERS LIABILITY INSURANCE

### SECTION I – INSURING AGREEMENTS

The INSURER, in consideration of the payment of premium, in reliance upon the attachments to and the statements made in the application for this insurance which is made a part thereof and subject to all of the terms and conditions of this policy, agrees as follows:

- A. **Insured Person and Entity Liability**  
With the INSUREDS to pay on their behalf LOSS that they may become legally obligated to pay as a result of a CLAIM for a D&O WRONGFUL ACT.
- B. **Non-Profit Outside Directorship Liability**  
With the INSUREDS to pay on their behalf LOSS that they may become legally obligated to pay as a result of a CLAIM for an OUTSIDE DIRECTORSHIP WRONGFUL ACT for which an OUTSIDE ENTITY is not permitted to indemnify them or is unable to indemnify them due to its financial insolvency.
- C. **Employment Practices Liability**  
With the INSUREDS to pay on their behalf LOSS that they may become legally obligated to pay as a result of a CLAIM for an EMPLOYMENT PRACTICES WRONGFUL ACT.
- D. **Fiduciary Liability**  
With the INSUREDS to pay on their behalf LOSS that they may become legally obligated to pay as a result of a CLAIM for a FIDUCIARY WRONGFUL ACT.
- E. **Defence**  
With the INSUREDS to have the duty and right to defend any CLAIM made against the INSUREDS for which coverage is provided by this policy.

This policy applies only to CLAIMS first made against the INSUREDS during the POLICY PERIOD and then only if reported to ENCON as outlined in Section VI.

### SECTION II – DEFINITIONS

- A. “BENEFIT PLAN” means:
  - 1. any employee pension plan or employee welfare benefit plan which, at the inception date of the policy, is operated solely by the ENTITY, or jointly by the ENTITY and a labour organization for the benefit of the employees of the ENTITY;
  - 2. any medical, dental, life and accident or employee profit sharing plan which, at the inception date of the policy, is sponsored by the ENTITY, except any multi-employer plan;
  - 3. any BENEFIT PLAN acquired or created during the POLICY PERIOD but only with respect to FIDUCIARY WRONGFUL ACTS occurring subsequent to the date of such acquisition or creation.
- B. “CLAIM” means:
  - 1. a written demand for compensatory damages or non-monetary relief;
  - 2. a civil proceeding commenced by the service of a notice of action, statement of claim or similar proceeding;
  - 3. an arbitration proceeding or mediation proceeding commenced by the service of a demand for arbitration, demand for mediation or similar document;
  - 4. an administrative or regulatory proceeding commenced by the filing of a notice of hearing or formal investigative order or similar document; against any INSURED;
  - 5. a criminal or penal proceeding commenced by the laying of an information or similar proceeding against any INSURED PERSON.
- C. “D&O WRONGFUL ACT” means any actual or alleged defamation, breach of duty, neglect, error, misstatement, misrepresentation, omission or other act done or attempted by any INSURED in the discharge of their duties solely in their capacity with the ENTITY or any matter claimed against them solely by reason of their status as an INSURED PERSON.
- D. “DAMAGES” means:
  - 1. compensatory damages, including but not limited to amounts for which the INSURED PERSONS are statutorily liable (including penalties and interest related to such statutory liabilities) pursuant to any Canadian federal, provincial or territorial law; and
  - 2. punitive, exemplary or multiplied damages first rendered by a court in Canada;which the INSUREDS are legally obligated to pay as a result of a judgement, settlement or assessment including pre and post-judgement interest and costs taxed against the INSURED. DAMAGES shall not include fines, penalties or damages which may be deemed uninsurable under the law of the jurisdiction which most favours coverage for punitive or exemplary damages and statutory liability related penalties provided such jurisdiction has a substantial relationship to the relevant INSUREDS or to the CLAIM giving rise to the DAMAGES.
- E. “DEFENCE COSTS” means reasonable and necessary legal, accounting, adjusting, investigating, expert or appeal expenses incurred for the defence of CLAIMS for which coverage is provided by this policy. DEFENCE COSTS does not include salaries, wages, overhead or benefit expenses of any INSURED PERSON.
- F. “EMPLOYMENT PRACTICES WRONGFUL ACT” means any actual or alleged:
  - 1. wrongful termination of an individual employment contract;
  - 2. discrimination or harassment adversely affecting any employee of or applicant for employment with the ENTITY;
  - 3. wrongful deprivation of career opportunity or failure to employ or promote;
  - 4. wrongful discipline of employees;
  - 5. negligent evaluation of employees;
  - 6. employment-related misrepresentation;
  - 7. employment-related defamation;
  - 8. retaliatory treatment against an employee of the ENTITY on account of such employee’s exercise of his/her rights under law;
  - 9. discrimination or harassment with respect to any past, present or prospective customers or clients of the ENTITY.
- G. “ENCON” means the insurance manager whose name and address follows which is authorized to be the agent of the INSURER. ENCON is not a party to this contract of insurance.

ENCON Group Inc.  
500-1400 Blair Place  
Ottawa, Ontario K1J 9B8  
Telephone: 613-786-2000  
Facsimile: 613-238-7180  
E-notice of Claims: newclaims@encon.ca

- H. “ENTITY” means
  - 1. the non-profit organization or association named in the Declarations;
  - 2. any SUBSIDIARY at the inception date of the policy;
  - 3. any former SUBSIDIARY but coverage is only afforded with respect to WRONGFUL ACTS occurring during its currency as a SUBSIDIARY;
  - 4. any SUBSIDIARY acquired or created after the inception date of this policy on condition that:
    - (a) written notice together with full information thereof, is provided to ENCON within ninety (90) days of the acquisition or creation of any new SUBSIDIARY whose total annual revenues exceed twenty-five per cent (25%) of the total annual revenues of the ENTITY as reflected in the ENTITY’S most recent annual financial statements prior to such acquisition or creation;
    - (b) coverages shall apply only to WRONGFUL ACTS occurring subsequent to the effective date of such acquisition unless the INSURER agrees, after presentation of a complete application and all appropriate information, to provide coverage by endorsement for WRONGFUL ACTS occurring prior to such acquisition;

- D. CLAIMS arising from any WRONGFUL ACT if notification has been given under any policy which has expired prior to or upon the inception of this policy 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.
- E. CLAIMS based upon, arising out of, directly or indirectly resulting from or in consequence of any pending or prior litigation as at the inception date of the ORIGINAL POLICY or derived from the same or essentially the same facts as alleged in such pending or prior litigation.
- F. CLAIMS arising out of or attributable to any fraudulent, dishonest or criminal act committed deliberately by any INSURED as determined by a judgement or other final adjudication.
- G. CLAIMS arising out of or attributable to any INSURED gaining any profit, remuneration or advantage to which such INSURED was not legally entitled as determined by a judgement or other final adjudication.
- H. CLAIMS initiated or instituted, directly or indirectly, by or on behalf of the ENTITY. However, this exclusion shall not apply to:
  1. any CLAIM made derivatively provided that such CLAIM is brought totally without the solicitation, assistance, participation or intervention of any INSURED PERSONS or the ENTITY; and
  2. any CLAIM brought by a liquidator, receiver or trustee in bankruptcy.
- I. CLAIMS for an actual or alleged breach of contract except that this exclusion shall not apply to:
  1. allegations of tortious conduct arising out of or attributable to an actual or alleged breach of contract; and
  2. DEFENCE COSTS for CLAIMS arising from an EMPLOYMENT PRACTICES WRONGFUL ACT.
- J. CLAIMS arising out of or attributable to any grievance brought pursuant to a collective agreement.
- K. CLAIMS for the rendering or failure to render any kind of professional service for others, either gratuitously or for a fee.
- L. CLAIMS for an OUTSIDE DIRECTORSHIP WRONGFUL ACT initiated or instituted, directly or indirectly, by or on behalf of the OUTSIDE ENTITY or a duly elected or appointed director, officer or trustee of the OUTSIDE ENTITY.
- M. CLAIMS already covered under another valid and collectible insurance policy. Any coverage provided by this policy shall be specifically excess of and shall not act in contribution with such other insurance policy.

NOTE: The WRONGFUL ACT of any INSURED shall not be imputed to any other INSURED for purposes of determining the applicability of the exclusions in Section IV.

#### **SECTION V – COMPUTATION OF AMOUNTS PAYABLE**

- A. The INSURER shall pay one hundred per cent (100%) of LOSS in excess of the deductible stated in the Declarations up to the limit of liability stated in the Declarations except that DEFENCE COSTS shall be paid over and above the limit of liability provided the said limit has not been previously exhausted by the payment of DAMAGES. The deductible shall apply to DAMAGES but not DEFENCE COSTS. It is agreed that no deductible applies to LOSS arising from a CLAIM against an INSURED PERSON where the ENTITY or OUTSIDE ENTITY is not permitted to indemnify them, refuses to indemnify them or is unable to indemnify them due to its financial insolvency.
- B. All LOSS arising out of the same WRONGFUL ACT and all INTERRELATED WRONGFUL ACTS shall be deemed to be one LOSS, and such LOSS shall be deemed to have originated in the earliest POLICY PERIOD in which a CLAIM is first made against any INSURED alleging any such WRONGFUL ACT or INTERRELATED WRONGFUL ACTS.
- C. If a CLAIM triggers more than one (1) deductible amount, the highest of such deductible amounts shall be deemed the deductible amount applicable to LOSS arising from such CLAIM.
- D. The fact that this policy may be extended by virtue of the exercise of the Discovery Period shall not in any way increase the limit of liability set forth in the Declarations.

#### **SECTION VI – NOTICE OF CLAIM**

The INSUREDS shall, as soon as practicable, provide written notice to ENCON at the address indicated in Item G of Section II after being made aware of a CLAIM for which coverage would be afforded by this policy, but in no event later than ninety (90) days following the expiration date of the POLICY PERIOD. This ninety (90) day extended reported period will only apply if no replacement coverage is obtained during such ninety (90) day period.

If during the POLICY PERIOD the INSUREDS become aware of a WRONGFUL ACT which could reasonably give rise to a CLAIM and the INSUREDS deliver written notice thereof to ENCON prior to the date of expiry of the policy, any CLAIM arising out of such reported WRONGFUL ACT shall be treated as a CLAIM made during the POLICY PERIOD in which such written notice was delivered. The written notice shall include:

1. the names of the potential claimants and a description of the specific WRONGFUL ACT which forms the basis of their potential CLAIM;
2. the consequences which have resulted or may result from such specific WRONGFUL ACT;
3. the nature of the potential damages arising from such specific WRONGFUL ACT; and
4. the circumstances by which the INSUREDS first became aware of the specific WRONGFUL ACT.

If the effective date of termination of the policy is a Saturday, Sunday, or Statutory Holiday, any CLAIM reported to ENCON on the business day immediately following the termination date, will be deemed to have been reported within the POLICY PERIOD.

Notwithstanding the aforementioned, any late notice or absence of notice is cause of forfeiture of the rights of the INSUREDS, if the INSURER sustains injury therefrom.

#### **SECTION VII – DEFENCE AND SETTLEMENT**

No DEFENCE COSTS payable under this policy shall be incurred without the INSURER'S consent which is not to be unreasonably withheld. The INSURER shall not settle or compromise any CLAIM without the written consent of the INSUREDS involved in the CLAIM.

The INSUREDS and the ENTITY shall give the INSURER such information and co-operation as it may reasonably require and as shall be in the power of the INSUREDS and the ENTITY to provide.

#### **SECTION VIII – GENERAL CONDITIONS**

- A. **Authorized Agent of the INSUREDS**  
In consideration of the issuance of this policy, the INSUREDS agree that the ENTITY is hereby appointed and authorized to act as agent on behalf of the INSUREDS with respect to all matters of any nature or kind relating to or affecting this policy.
- B. **Non-rescindable**  
This policy may not be rescinded by the INSURER solely with respect to coverage provided to the INSURED PERSONS for CLAIMS for which the ENTITY is not permitted to indemnify them or cannot indemnify them due to its financial insolvency.
- C. **Non-renewal**  
If the INSURED submits a completed renewal application and the INSURER decides not to offer any renewal terms for this policy, the INSURER shall provide written notice to the INSURED'S broker and the POLICY PERIOD will be extended, if necessary, to ensure that the policy expiration date is at least sixty (60) days subsequent to the date of such notice of non-renewal. If an extension of the POLICY PERIOD is required, the additional premium shall be computed on a pro rata basis.
- D. **Cancellation**  
This policy may be cancelled by the INSUREDS by delivering written notice by mail, facsimile or by hand to ENCON stating when thereafter such cancellation shall be effective. This policy may be cancelled by ENCON because of non-payment of premium by said delivery of written notice of