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M6000E (07-92)

JUL 17 2013

MARSH CANADA LIMITED
OTTAWA

CONTINENTAL CASUALTY COMPANY
A Stock Company hereinafter called the Insurer
MARINE EXCESS POLICY
DECLARATION PAGE

Producer:	MARSH CANADA LIMITED 70 University Ave, Suite 800 Toronto, Ontario M5J 2M4	Policy No:	114174
		Previous Policy No:	114174
		No:	
		Code:	150

1. Name and mailing address of Insured:

Named: Insured Canadian Coast Guard Auxiliary (National) Inc. and/or Canadian Coast Guard Auxiliary (Maritimes) Inc. and/or Garde Cotiere Auxiliaire Canadienne (Quebec) Inc. and/or Canadian Coast Guard Auxiliary (Central & Arctic) Inc. and/or Canadian Coast Guard Auxiliary (Pacific) Inc. o/a Royal Canadian Marine Search & Rescue and/or Canadian Coast Guard Auxiliary (Newfoundland & Labrador) Inc. collectively operating as the Canadian Coast Guard Auxiliary.

Additional Named Insured: "Her Majesty the Queen represented by the Minister of Fisheries and Oceans, Transport Canada and National Search and Rescue Secretariat acting through the Commissioner of the Canadian Coast Guard, Department of Fisheries and Oceans with respect to the conduct by the CCGA of Search and Rescue Operations and all other CCGA activities authorized by the Canadian Coast Guard, in all regions of Canada."

Address
City / Town
Province / State
Postal Code / Zip

2. Policy Period:

From: June 1, 2013
12:01 A.M. Standard time at the place of issuance.

To: June 1, 2014

3. Loss Payable:

As per underlying insurance

Countersigned at: Toronto Date: June 26, 2013

Authorized Representative

**EXCESS MARINE LIABILITY
MARINE MANUSCRIPT EXCESS POLICY**

Policy No.: 114174

Attached to and forming part of the above numbered policy

1. Limit of Liability (as Per Insuring Agreements)

Limit in respect of each occurrence	\$15,000,000.00
Limit in the aggregate for each annual period where applicable	\$15,000,000.00

2. Liability Retained by the Insured

Ultimate Net Loss in respect of each occurrence not covered by underlying insurances in accordance with and subject to the terms and conditions of this policy.	\$100,000.00
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3. Premiums

The premium is based upon
The agreed amount of \$29,000.00

Flat Premium	\$29,000.00
Advance Premium	\$ -
Other Charges	-

Total Premium	\$29,000.00
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**EXCESS MARINE LIABILITY
SCHEDULE**

Policy No: 114174

SCHEDULE OF UNDERLYING INSURANCES

<u>Description</u>	<u>Limits</u>
Contingent Employer's Liability	C\$ 5,000,000.00 any one accident or occurrence
General Liability (Including hired and non-owned Automobile Liability)	C\$ 5,000,000.00 any one accident C\$ 5,000,000.00 Aggregate in respect of Products
Protection and Indemnity	C\$10,000,000.00 any one accident or occurrence
Automobile Liability	C\$ 5,000,000.00 any one accident or occurrence
Automobile Liability (Trailers)	C\$ 5,000,000.00 any one accident or occurrence

**EXCESS MARINE LIABILITY
JOINT VENTURE CLAUSE**

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

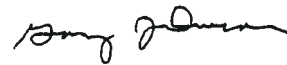
1) It is hereby understood and agreed by the assured and underwriters that, as regards any liability of the assured which is insured under this policy and arises in any manner whatsoever out of the operations or existence of any joint venture, co-venture, joint lease, joint operating agreement or partnership (hereinafter called "joint venture") in which the assured has an interest, the liability of underwriters under this policy shall be limited to the product of (a) the percentage interest of the assured in said joint venture and (b) the total limit of liability insurance afforded the assured by this policy. Where the percentage interest of the assured in said joint venture is not set forth in writing, the percentage to be applied shall be that which would be imposed by law at the inception of the joint venture.

2) It is further understood and agreed that, where any underlying insurance(s) have been reduced by a clause having the same effect as paragraph (1), the liability of underwriters under this policy, as limited by paragraph (1), shall be excess of the sum of (a) such reduced limits of underlying insurance(s) and (b) the limits of any underlying insurance(s) not reduced.

3) It is further noted and agreed that any limits which may be self insured by the assured shall, for the purpose of the application of this clause, be deemed to be insured and to incorporate and be subject to an identical joint venture clause.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 1



Authorized Representative

**EXCESS MARINE LIABILITY
ADDITIONAL INSURED/LOSS PAYEE ENDORSEMENT**

Policy No.: 114174

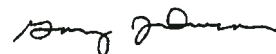
Attached to and forming part of the above numbered Policy.

Wherever additional insureds or loss payees are added to this policy, it is specifically agreed:

- A) such additional insureds or loss payee are included only with respect to such activities insured by this policy as would exist in the absence of the naming of additional insureds or loss payees and coverage hereunder shall in no way be considered extended by the inclusion of additional insureds or loss payees.
- B) the inclusion of additional insureds or loss payees shall in no way increase the limit of liability hereunder.
- C) in the event of cancellation or change in policy coverage unless specifically endorsed in writing to the contrary hereon, no obligation is imposed on this company to send notice of cancellation or change of coverage to an additional insured or loss payee and notice to the original named insured shall discharge all obligations of this company hereunder. This company shall not be required to notify additional named insured or loss payees of any cancellation received from the original insured hereon.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 2



Authorized Representative

**EXCESS MARINE LIABILITY
AMENDMENTS TO STANDARD BUMBERSHOOT**

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

Amendments to Standard Bumbershoot Wording:

1) The definition of the word "**Occurrence**" is amended as follows:

"The term "occurrence" used herein, means an event or a continuous or repeated exposure to conditions which unintentionally causes injury, damages or destruction during the policy period. Any number of such injuries, damage or destruction resulting from a common cause or from exposure to substantially the same conditions shall be deemed to result from one occurrence"

The word "**unintentionally**" used in the above amendment shall not apply to claims arising out of personal injuries.

2) The following wording is to be added to the definition of "**Ultimate Net Loss**":

"Nothing herein contained shall be construed to require the assured to enforce by legal action, any rights of salvage, subrogation or indemnity, before the insurers shall pay any loss covered hereunder".

3) Clause 2 a) amended to read as follows:

"The amount(s) of the limit(s) set out in underlying insurances identified in the attached schedule (with respect to general average, collision liabilities, towers liabilities, salvage, salvage charges, sue and labor expenses and protection and indemnity, the sum(s) of said expenses and liabilities actually insured under the underlying policies shall be deemed to amount(s) of the limit(s) of said underlying policies)."

4) Exclusion 3) shall apply only to such claims as are made under coverage clause 1 c) and which are not covered by the insured's underlying set out in the schedule attached hereto.

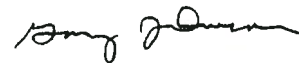
5) Should any of the underlying insurances as listed in the schedule of underlying insurances be subject to an annual aggregate limit, then this policy shall also be subject to an annual aggregate limit as stated in policy declaration item 3. Limit of liability (as per insuring agreement).

6) Condition L. Maintenance of underlying insurance is amended to include the following wording:

d) the insolvency, bankruptcy, receivership or refusal or inability to pay of the assured and/or any insurer shall not operate to reduce or deplete any underlying limit nor shall it increase any underwriter's share of the limit of liability set forth in item 3 limit of liability.

All other terms, conditions and warranties remain unchanged

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 3



Authorized Representative

**EXCESS MARINE LIABILITY
SUPPLEMENTAL CLAUSES (BUMBERSHOOT)**

M6031E (07-92)

Attached to and forming part of the above numbered Policy.

Policy No.: 114174

The following provisions shall supersede any inconsistent policy provisions:

I. Conditional Exclusions

As respects all activities of the assured (except liability arising out of ownership, use, charter, operation, maintenance, loading, unloading or as a bailee of any water craft not otherwise excluded or limited herein), this insurance shall be free from liability (unless coverage is provided in an underlying policy scheduled hereon, and then coverage hereunder shall only operate as excess of such coverage).

- a) From operation, ownership, use of any automobile, truck or aircraft;
- b) from any employee with respect to personal injury to or death of another employee of the same employer injured in the course of such employment;
- c) for damage, loss or expense to property of others which occurred while in the care, custody or control of the assured hereunder;
- d) assumed under contract;
- e) arising out of goods or products manufactured, sold, handled or distributed by the assured or by others trading under his name (hereunder called "the Assured's Products") if the occurrence occurs after possession of such goods or products has been relinquished to others by the assured or by others trading under his name and if such occurrence occurs away from premises owned, rented or controlled by the assured; provided such goods or products shall be deemed to include any container thereof, other than vehicle, but shall not include any vending machine or any property, other than such container, rented to or located for use of others but not sold;
- f) arising out of operations, if the occurrence occurs after such operations have been completed or abandoned and occurs away from premises owned, rented or controlled by the assured; provided that operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement; provided further the following shall not be deemed to be "operations" within the meaning of this paragraph:
 - 1) Pick-up or delivery, except from or onto a railroad car;
 - 2) the maintenance of vehicles owned or used by or in behalf of the assured;
 - 3) the existence of tools, uninstalled equipment and abandoned or unused materials;

II. Absolute exclusions

This insurance shall be free from liability or expense arising;

- a) from infidelity and/or dishonesty of assured, or any employee or representative of assured committed individually or in collusion with others;
- b) from ownership, use or operation of drilling rigs, drilling barges, drilling tenders, platforms, flow lines, gathering stations and/or pipe lines, but this exclusion shall not apply to craft serving the foregoing such as crew, supply, or utility boats, tenders, barges or tugs;
- c) under Employees' Retirement Income Security Act (ERISA);
- d) because of the violation of any statute, law ordinance or regulation prohibiting discrimination or humiliation because of race, creed, color, national origin age and/or sex;
- e) directly or indirectly in consequence of the actual or potential discharge, dispersal, release, or escape of smoke vapors, soot, fumes, acids, alkalies, petroleum products or derivatives, liquids or gases, waste materials, sewerage or other toxic chemicals, irritant contaminants or pollutants into or upon land, atmosphere or any watercourse or body of water.
- f) From the failure of the assured's products or work completed by or for the assured to perform the function or serve the purpose intended by the assured, if such failure is due to a mistake of deficiency in any design, formula, plan, specifications, advertising material or printed instructions prepared or developed by any assured except with respect to bodily injury or property damage as a result of said failure provided such property damage or bodily injury is insured in an underlying policy scheduled hereon;
- g) out of the conduct of any partnership or joint venture of which assured is a partner or member and which is not shown in this policy as a named assured. When such joint venture or partnership of which the assured is a partner or member is named in this policy as a named assured, this policy will respond, subject to all terms and conditions, for an amount not exceeding the assured's participation in such partnership or joint venture;
- h) from any activity as a ship repairer or shipbuilder other than for maintenance and repairs by the assured to its own vessel.

M6031E (07-92)

**EXCESS MARINE LIABILITY
SUPPLEMENTAL CLAUSES (BUMBERSHOOT)**

III. Special Conditions

a) Additional Assureds

In the event of additional assureds being added to the coverage under the underlying insurance during currency hereof prompt notice shall be given to underwriters hereon who shall be entitled to charge an appropriate additional premium hereon.

b) Prior Insurance and Non-Cumulation of Liability.

It is agreed that if any loss covered hereunder is also covered in whole or in part under any other excess policy issued to the assured prior to the inception date hereof the limit of liability hereon as stated in item 3 of the declarations shall be reduced by any amounts due to the assured on account of such loss under such prior insurance.

c) Special Conditions Applicable to Occupational Disease.

As regards personal injury (fatal or non-fatal) by occupational disease sustained by any employee of the assured, this policy is subject to the same warranties, terms and conditions (except as regards the premium, the amounts and limits of liability and the renewal agreement, if any) as are contained in or as may be added to the underlying insurance prior to the happening of an occurrence for which claim is made hereunder.

d) Cancellation

Either the company or the assured may cancel this insurance by giving the other thirty (30) day's written notice, after which this policy shall be of no force or effect. If cancellation is at the assured's option, the company will retain earned premium hereunder as per customary short rate table; if cancellation is at the company's option, pro rata unearned premium will be returned as soon as practicable, in either case, subject to minimum premiums agreed upon, if any.

e) War Risk Cancellation

In the event of any underlying war risks insurance being cancelled such cancellation shall simultaneously cancel any applicable excess coverage insured herein.

f) Subrogation.

In the event of any payment under this policy, the underwriters shall participate with the assured and any underlying insurer in the exercise of all the assured's rights of recovery therefore against any person or organization. All recoveries shall be applied as if recovered prior to any payment under this policy and to that end all necessary adjustments shall be made as soon as practicable thereafter. The expense of any subrogation proceeding brought to enforce such rights shall be apportioned among the underwriters, the underlying insurers and the assured in accordance with their respective interests in the matter giving rise to such rights.

IV. Definitions

These definitions shall apply as respects all activities of the assured other than liability arising out of the ownership, charter, use, operation, maintenance, loading, unloading or as a bailee of any water craft.

1. Personal Injuries

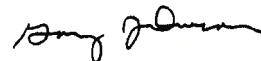
The term "**personal injuries**" whenever used herein means bodily injury (including death at any time resulting therefrom), mental injury, mental anguish, shock, sickness, disease, disability, false arrest, false imprisonment, wrongful eviction, detention, malicious prosecution: also libel, slander disparagement or defamation of character or invasion of rights of privacy, except that which arises out of any advertising activities.

2. Property Damage

The term "**property damages**" wherever used herein shall mean loss of or direct damage to or destruction of tangible property (other than property owned by the named assured).

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 4



Authorized Representative

**EXCESS MARINE LIABILITY
ADDENDUM (BUMBERSHOOT)**

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

Whereas, the period of the primary and/or underlying policy or policies, including renewals or replacements thereof with respect to which this policy applies in excess is, or may be non-concurrent with the period of this policy.

Now, therefore, in consideration of the premium for which this policy is written, in the event of reduction or exhaustion of the aggregate limit or limits contained in such primary and/or underlying policy or policies solely by payment of losses in respect of accidents or occurrences during the period of such primary and/or underlying policy or policies, it is hereby understood and agreed that such insurance as is afforded by this policy shall apply in excess of the reduced underlying limit or, if such limit is exhausted, shall apply as underlying insurances, notwithstanding anything to the contrary in the terms and conditions of this policy.

Upon notice that any aggregate limit of liability under any underlying insurance has been exhausted, the insured shall immediately make all reasonable efforts to reinstate such limit.

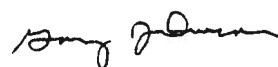
It is agreed that the insured shall give this company written notice as soon as practicable of any change in the scope of coverage or in the amount of any underlying insurer's policy.

In those cases where the underlying insurance listed in the schedule of underlying policies contains coverage(s) which are subject to an aggregate limit or liability, this company's liability shall likewise be limited to the aggregate amount stated in item 3. Included in the policy declaration.

Subject to the Bumbershoot Policy Limit of Liability in respect of each occurrence, the bumbershoot policy aggregate limit shall apply separately to each underlying insurance coverage which is subject to an aggregate limit of policy liability.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 5



Authorized Representative

**EXCESS MARINE LIABILITY
RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE**

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

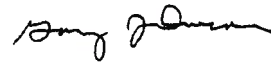
This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith:

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- a) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel:
- b) the radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof:
- c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 6



Authorized Representative

**EXCESS MARINE LIABILITY
D & O/SEC./E & O (CONDITIONAL) EXCLUSION**

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

**THIS POLICY IS SUBJECT TO THE FOLLOWING
ADDITIONAL NON-MARINE LIABILITY EXCLUSIONS:**

1) Directors' and Officers' Liability

This policy shall not apply except with respect to personal injury liability and property damage liability:

- a) for loss or expense from claims or suits against any person or persons jointly or severally who was or now is or may herein after be a director or officer for breach of duty, neglect, error, misstatement, misleading statement or omission while acting in their respective capacities as directors and officers,
- b) for loss or expense from claims or suits against any corporation brought by an officer or director for indemnification or to be reimbursed for any damages or costs or expenses incurred in connection with the defence of any action, suit or proceeding or in connection with appeal thereof to which any officer or director is or was a party thereto which is or was based on breach of duty, neglect, error, misstatement, misleading statement or omissions while acting in their respective capacities as directors or officers. The fact that the corporation may be liable to the officer or director because of state law, article or certificate of incorporation of the corporation, or bylaws of the corporation or separate contracts shall not alter the condition of this exclusion.

2) Securities Exchange Act Liability

This policy shall not apply to any liability based upon or arising out of any intentional or unintentional violation of any provision of any federal or state securities law, including but not limited to the securities act of 1933 or the securities exchange act of 1934 or any amendments or additions thereto.

3) Professional Indemnity and Errors and Omissions Liability

Except with respect to personal injury liability and property damage liability as defined in this policy, this insurance shall not apply to any act, error, omission or mistake committed or alleged to have been committed by or on behalf of the insured in rendering or failing to render service or advice of a professional nature in connection with any operation described below:

Description of Operations:

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 7



Authorized Representative

**EXCESS MARINE LIABILITY
EMPLOYERS' LIABILITY EXCLUSION**

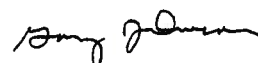
Policy No.: 114174

Attached to and forming part of the above numbered Policy.

It is agreed that this policy shall not apply to any liability for bodily injury, sickness, disease, disability or shock, including death at any time resulting therefrom, and, if arising out of the foregoing, mental anguish or mental injury, sustained by any employee of the insured and arising out of and in the course of his employment by the insured.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 8



Authorized Representative

**EXCESS MARINE LIABILITY
ABSOLUTE EXCLUSION OF PUNITIVE DAMAGE**

M6002E (07-92)X

Policy No.: 114174

Attached to and forming part of the above numbered Policy.

It is agreed that this policy shall not apply to any obligation to pay fines, penalties or exemplary, or punitive damages including treble damages or any other damages resulting from the multiplication of compensatory damages. If a suit shall have been brought against the insured for claim insured by this policy seeking both compensatory and punitive or exemplary damages, then this company will afford a defense to such action. The company, however, shall not have any obligation to pay for any costs, interest, or damage attributable to fine, punitive or exemplary damage.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 9



Authorized Representative

**EXCESS MARINE LIABILITY
OIL POLLUTION CLAUSE 1990**

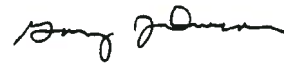
Policy No.: 114174

Attached to and forming part of the above numbered Policy.

This insurance does not constitute evidence of financial responsibility under the Oil Pollution Act of 1990 or any similar federal, state or local law, and it is a condition of this insurance that it shall not be submitted to the United States Coast Guard or any other federal, state or local agency as evidence of financial responsibility. The underwriters do not consent to be guarantors.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 10



Authorized Representative

**EXCESS MARINE LIABILITY
GENERAL PURPOSE ENDORSEMENT**

M6002E (07-92)X

Policy No.: .114174

Attached to and forming part of the above numbered Policy.

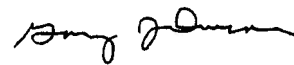
It is hereby understood and agreed that the cancellation clause as per endorsement number 5, is amended to read as follows:

d) Cancellation

Either the company or the assured may cancel this insurance by giving the other ninety (90) day's written notice, after which this policy shall be of no force or effect. If cancellation is at the assured's option the company will retain earned premium hereunder as per customary short rate table; If cancellation is at the company's option, pro rate unearned premium will be returned as soon as practicable, in either case, subject to minimum premiums agreed upon, if any.

All other terms, conditions and warranties remain unchanged.

Issue Date: June 26, 2013
Effective Date: June 1, 2013
Endorsement No: 11



Authorized Representative

Policy no.: I14174

Attached to and forming part of the above numbered Policy.

The Company as stated in Item 1 of the declarations (A stock insurance Company herein called the Company) agrees with the Insured, named in the declarations made a part hereof, in consideration of the payment of the premium and in reliance upon the statements in the declarations and subject to the insuring agreements, limits of liability, definitions, exclusions, conditions, and other terms of this policy:

INSURING AGREEMENT

1. COVERAGE

This Policy is to indemnify the Insured in respect of the following (including such expenses as are set out in the definition of "ULTIMATE NET LOSS").

- a) All Protection and Indemnity risks of whatsoever nature including, but not limited to, those covered by the underlying Protection and Indemnity Insurance or which are absolutely or conditionally undertaken by **The United Kingdom Mutual Steam Ship Assurance Association, Limited.**
- b) General Average, Collision Liabilities, Salvage, Salvage Charges and Sue and Labor arising from any cause whatsoever.
- c) All other sums which the Assured shall become legally liable to pay or by contract or agreement become liable to pay in respect of claims made against the Assured for damages of whatsoever nature on account of:
 - i) Personal injuries including death at any time resulting therefrom;
 - ii) Property Damage;caused by or arising out of each occurrence happening anywhere in the world. Notwithstanding the foregoing this Insurance shall not cover liabilities arising by reason of insolvency or inadequacy of capital.

2. LIMIT OF LIABILITY -- UNDERLYING LIMITS.

The Company shall only be liable for the excess of either --

- a) The amount(s) of the limit(s) set out in underlying insurances identified in the attached Schedule (with respect to General Average, Salvage, Salvage Charges, Sue and Labor expenses the sum(s) of said expenses actually insured under the underlying policies shall be deemed the amount(s) of the limit(s) of said underlying policies), or
- b) Ultimate Net Loss in respect of each occurrence not covered by said underlying insurance as stated in the declarations Item 2. Liability Retained by the Insured (all hereinafter called the "Underlying Limits") and then only up to a further Ultimate Net Loss in respect of each occurrence as stated in the declarations Item 1. Limit of Liability

In the event of reduction or exhaustion of the aggregate limits of liability under underlying insurance by reason of losses paid thereunder such underlying insurances shall, for the purpose of this Policy, be deemed to have been reinstated in full, notwithstanding anything herein contained to the contrary.

The inclusion hereunder of more than one Insured shall not operate to increase the Company's limit of liability.

3. PREMIUM.

The Premium hereunder, payable at inception, shall be the amount as stated in the declarations Item 3. Total Premium.

DEFINITIONS

1. INSURED.

The unqualified word Insured wherever used in this Policy, includes not only the Named Insured but also:

- a) any executive officer, director, stockholder or employee of the Named Insured while acting in his capacity as such;
- b) any person organization trustee or estate to whom the Named Insured is obligated by virtue of a written contract or agreement to provide insurance such as is afforded by this Policy but only in respect of operations by or on behalf of the Named Insured;
- c) With respect to any automobile owned by the Named Insured or hired for use in behalf of the Named Insured or to any aircraft owned by the Named Insured or hired for use in behalf of the Named Insured any person or organization legally responsible for the use thereof provided the actual use of the automobile or aircraft is with the permission of the Named Insured. The Insurance extended by this sub-division (c) with respect to any person or organization other than the Named Insured shall not apply--
 1. to any person or organization or to any agent or employee thereof operating an automobile repair shop, public garage, sales agency service station or public parking place with respect to any occurrence arising out of the operation thereof;
 2. to any manufacturer of aircraft, engines, or aviation accessories, or any aviation sales or service or repair organization or airport or hanger operator or their respective employees or agents with respect to any occurrence arising out of the operation thereof;
 3. with respect to any hired automobile or aircraft to the owner thereof or any employee of such owner.

2. OCCURRENCE

The term occurrence wherever used herein, shall mean one happening or series of happenings, arising out of or due to one event taking place during the term of this Policy.

3. ULTIMATE NET LOSS

The term "Ultimate Net Loss" shall mean the total sum which the Insured becomes obligated to pay by reason of matters set out in Insuring Agreement 1, including compromise settlements and shall include hospital, medical and funeral charges and all sums paid as salaries, wages, compensation, fees, charges and law costs premiums on attachment or appeal bonds, interest, expenses for doctors, lawyers, nurses and investigators and other persons, and for litigation, settlement adjustment and investigation of claims and suits which are paid as a consequence of any occurrence covered hereunder, excluding, however, the salaries of the Insured's permanent employees and general office overheads and also excluding any part of such expenses for which the Insured is covered by other valid and collectible insurance.

4. AUTOMOBILE

The term "Automobile", wherever used herein shall mean a land motor vehicle, trailer or semi-trailer.

5. AIRCRAFT

The term "Aircraft", wherever used herein, shall mean any heavier than air or lighter than air aircraft designed to transport persons or property.

EXCLUSIONS

THIS POLICY SHALL NOT APPLY:

1. a) to indemnify an Insured whose dishonesty or fraud committed individually or in collusion with others, caused the loss for which that Insured seeks indemnity, nor
b) to indemnify any Insured against claims based upon any intentional noncompliance with any statute or regulation unless such claim(s) be for damages occasioned by actual or alleged bodily injury (fatal or otherwise) or physical loss of, damage to, and/or loss of use of tangible property nor
c) to indemnify any Insured in respect of any Criminal fines or Criminal penalties incurred through the Criminal act of that Insured.
2. With respect to advertising activities to claims against the Insured:
 1. for failure of performance of contract but this shall not relate to claims for unauthorized appropriation of ideas based upon alleged breach of an implied contract;
 2. by advertising agents of the Insured;
 3. for infringement of registered trade mark service mark or trade name by use thereof as the registered trade mark, service mark or trade name of goods or services sold, offered for sale or advertised, but this shall not relate to titles or slogans;
 4. for incorrect description of any article or commodity;
 5. for mistake in advertised price.
3. To any claim(s) made by any National, State or Local Government sub-divisions or agencies thereof, unless such claim(s) be for damages occasioned by actual or alleged personal and/or bodily injury (fatal or otherwise), physical loss of, damage to and/or loss of use of tangible property.
4. To any claim(s) or suit(s) alleging violation of the anti-trust laws, unfair competition or other acts allegedly in restraint of trade.
5. To any stockholder's derivative action(s).
6. To claims for non-payment or delay in payment of charter hire, non-payment or delay in Payment of loans, mortgages, promissory notes checks drafts or other evidences of debt.
7. To claims for infringement of patent(s), unauthorized use of trademark(s) or trade-name(s) misappropriation of design(s), drawing(s), Process(es) or procedure(s) or to claims based on misappropriation of minerals or non-payment of mineral royalties.
8. a) To loss, damage or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war rebellion revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority;

Policy no.: 114174

b) Nevertheless, this exclusion shall not apply except as provided in c) below, to liabilities:

- i) Arising in connection with vessels owned chartered, hired or otherwise used by the Insured;
 - ii) Arising out of property of any kind in transit by land, water or air during such periods as would be covered for full War risks under an insurance covering physical loss of or damage to cargo subject to the Institute War Clauses relevant to the particular form of transit;
 - iii) Arising out of any waterborne operations;
 - iv) To seamen or under Workmen's Compensation Statutes;
 - v) For death of or bodily injury to persons of any kind.
- c) Notwithstanding the provisions of (b) above, the clause set out in (a) above shall apply to the liabilities set out in (b) above
- i) unless sooner applied under the provisions of (ii) or (iii), automatically upon and simultaneously with the outbreak of war (whether there be a declaration of war or not) between any of the following countries United States of America, United Kingdom (or any other member of the British Commonwealth), France, the Union of Soviet Socialist Republics, the People's Republic of China,
 - ii) at any time at the Insured's request or by the Company giving 14 days' written notice to the Insured, but in no event shall such notice affect or postpone the operation of the provisions of (i) or (iii) Written or telegraphic notice sent to the Insured at his (its) last known address shall constitute a complete notice and such notice mailed or telegraphed to the said Insured, care of the broker who negotiated this insurance, shall have the same effect as if sent to the said Insured direct. The mailing of notice as aforesaid shall be sufficient proof of notice and the effective date and hour of the operation of the clause set out in (a) above shall be 14 days from midnight of the day on which such notice was mailed or telegraphed as aforesaid The Company agrees, however, that the clause set out in (a) above shall not apply subject to agreement between the company and the Insured prior to the aforesaid effective date and hour as to an additional premium and/or new conditions and/or warranties;
 - iii) unless sooner terminated under the provisions of (i) or (ii) automatically in respect of an insured vessel it and when such vessel is requisitioned either for title or use, by the Government of the United States or of the country in which the vessel is owned or registered or of the country in which any such right of requisition is vested.

If subsequent to the agreement of an additional premium as provided by paragraph (ii) above, either the Insured or the Company again elect to exercise the option provided therein or paragraphs (i) or (iii) become operative, pro rata net return of the additional premium paid shall be refunded to the Insured Such return premium will be paid on demand or as soon thereafter as practicable to do so.

CONDITIONS

A. GEOGRAPHICAL LIMITS

This Policy covers the operations of the Insured anywhere in the World.

B. CROSS LIABILITY

In the event of one of the Insureds incurring liability to any other of the Insureds, this Policy shall cover the Insured against whom claim is or may be made in the same manner as if separate Policies had been issued to each Insured. Nothing contained herein shall operate to increase the Company's limit of liability as set forth in Insuring Agreement 2.

C. NOTICE OF OCCURRENCE

Whenever the Insured has information from which the Insured may reasonably conclude that an occurrence covered hereunder involved injuries or damages which, in the event that the Insured should be held liable, is likely to involve this Policy, notice shall be sent to the Company as soon as practicable, provided, however, that failure to notify the Company of any occurrence which at the time of its happening did not appear to involve this Policy, but which, at a later date, would appear to give rise to claims hereunder, shall not prejudice such claims.

D. ASSISTANCE AND CO-OPERATION

The Company shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Insured, but the Company shall have the right and shall be given the opportunity to associate with the Insured or the Insured's Underlying Insurers or both, in the defense and control of any claim suit or proceeding relative to an occurrence where the claim or suit involves or appears reasonably likely to involve the Company in which event the Insured, the Underlying Insurers and the Company shall co-operate in all things in the defense of such claim suit or proceeding.

E. APPEALS

In the event the Insured or the Insured's Underlying Insurers elect not to appeal a judgment in excess of the Underlying Limit, the Company may elect to make such appeal at their cost and expense and shall be liable for the taxable costs and disbursements and interest incidental thereto but in no event shall the liability of the Company for Ultimate Net Loss exceed the amount set forth in Insuring Agreement 2 for any one occurrence and in addition the cost and expense of such appeal plus the taxable costs and disbursements and interest incidental thereto.

F. BANKRUPTCY OR INSOLVENCY

In the event of the bankruptcy or insolvency of the Insured or any entity comprising the Insured the Company shall not be relieved thereby of the Payment of any claim hereunder because of such bankruptcy or insolvency.

G. OTHER INSURANCE

If other valid and collectible insurance with any other Insurer is available to the Insured covering a loss also covered by the Policy other than Insurance that is in excess of the Insurance afforded by this Policy, the Insurance afforded by this Policy shall be in excess of and shall not contribute with such other Insurance either as double Insurance or otherwise. Nothing herein shall be construed to make this Policy subject to the terms, conditions and limitations of other Insurance.

Policy no.: 114174

II. SUBROGATION

In as much as this Policy is Excess Coverage the Insured's right of recovery against any person or other entity cannot be exclusively subrogated to the Company. It is therefore, understood and agreed that in case of any payment hereunder, the Company will act in concert with all other interests (including the Insured) concerned in the exercise of such rights of recovery. The apportioning of any amounts which may be so recovered shall follow the principle that any interests (including the Insured) that shall have paid an amount over and above any Payment hereunder, shall first be reimbursed up to the amount paid by them, the Company are then to be reimbursed out of any balance the remaining up to the amount paid hereunder lastly the interests (including the Insured) of whom this coverage is in excess are entitled to claim the residue, if any Expenses necessary to the recovery of any such amounts shall be apportioned between the interests (including the Insured) concerned in the ratio of their respective recoveries as finally settled.

I. ASSIGNMENT

Assignment of interest under this Policy shall not bind the Company until their consent is endorsed hereon.

J. CURRENCY

The premiums and losses under this Policy are payable in the United States or Canadian Currency.

K. CONFLICTING STATUTES

In the event that any provision of this Policy is unenforceable by the Insured under the laws of any State or Province or other jurisdiction wherein it is claimed that the Insured is liable for any injury covered hereby, because of non-compliance with any statute thereof, then this Policy shall be enforceable by the Insured with the same effect as if it complied with such statute.

L. MAINTENANCE OF UNDERLYING INSURANCE

- a) It is a condition of this Policy that the Policy or Policies referred to in the attached "Schedule of Underlying Insurances" shall be maintained in full effect during the currency of this Policy except for any reduction of the aggregate limit or limits contained therein solely by payment of claims in respect of accidents and or occurrences occurring during the period of this Policy.
- b) Inadvertent failure of the Insured to comply with (a) above or inadvertent failure to notify the Company of any changes in the Underlying Insurances shall not prejudice the Insured's rights of recovery under this Policy but in the event of such failure the Company to be liable only to the same extent as they would have been had the Insured complied with the said condition.
- c) In the event of an underlying War Risks Insurance being cancelled by the Company thereon under the terms of the cancellation clause therein, such cancellation shall not constitute a breach of (a) above but the Company to be liable hereunder only to the same extent as they would have been had that underlying War Risks Insurance not been cancelled. Nothing in the foregoing sentence shall be deemed to affect the application of Exclusion No. 8 hereunder.



ENDORSEMENT NO. 12

Date of Issuance: June 26, 2013

THIS ENDORSEMENT, EFFECTIVE JUNE 1, 2013, FORMS A PART OF POLICY NO. 114174 OF THE POLICY ISSUED TO COAST GUARD AUXILIARY INC ET AL.

ABSOLUTE EXCLUSION – ASBESTOS

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from, or incurred by reason of any one or more of the following:

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened exposure at any time to asbestos; or
- (2) Any loss, cost or expense that may be awarded or incurred:
 - (a) By reason of a claim or "suit" for any such injury or damage; or
 - (b) In complying with a governmental direction or request to test for, monitor, clean up, remove, contain or dispose of asbestos.

Asbestos means the mineral in any form whether or not the asbestos was at any time:

- (1) Airborne as a fiber, particle or dust;
- (2) Contained in or formed a part of a product, structure or other real or personal property;
- (3) Carried on clothing;
- (4) Inhaled or ingested; or
- (5) Transmitted by any other means

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Marsh Canada Limited
70 University Ave, Suite 800
Toronto, Ontario
M5J 2M4



ENDORSEMENT NO. 13

Date of Issuance: June 26, 2013

THIS ENDORSEMENT, EFFECTIVE JUNE 1, 2013, FORMS A PART OF POLICY NO. 114174 OF THE POLICY ISSUED TO COAST GUARD AUXILIARY INC ET AL.

FUNGI / MOLD / MILDEW / YEAST / MICROBE EXCLUSION

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from, or incurred by reason of any one or more of the following:

Fungi and Microbes

- (1) "Bodily injury", "property damage", "personal injury or "advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth or presence of any "fungi" or "microbes;" or
- (2) Any loss, cost or expense arising out of the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of, or the failure to test for, monitor, clean-up, remove, contain, treat, detoxify, neutralize, remediate, or in any way respond to or assess the effects of, "fungi" or "microbes" by any insured or by anyone else.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage, loss, cost or expense.

The following definitions apply herein:

"Fungi" means any form of fungus, including but not limited to yeast, mold, mildew, or mushroom, including mycotoxins, spores, scents, byproducts or other substances produced or released fungi. But "fungi" does not include fungi that were deliberately grown for human consumption.

"Microbe" means any bacteria, virus, or any other non-fungal, single celled or colony-form organism, including any toxins, scents, byproducts or other substances it produces or releases, whose injurious source is in or on a building or its contents. But "microbe" does not mean:

- (1) Microbes that were transmitted directly from person to person;
- (2) Microbes that caused food poisoning, if your business is food processing, sales or serving.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Marsh Canada Limited
70 University Ave, Suite 800
Toronto, Ontario
M5J 2M4



ENDORSEMENT NO. 14

Date of Issuance: June 26, 2013

THIS ENDORSEMENT, EFFECTIVE JUNE 1, 2013, FORMS A PART OF POLICY NO. 114174 OF THE POLICY ISSUED TO COAST GUARD AUXILIARY INC ET AL.

EXCLUSION – RESPIRABLE DUST

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from, or incurred by reason of any one or more of the following:

1. "Bodily injury" arising in whole or in part out of the actual, alleged or threatened respiration or ingestion at any time of "respirable dust"; or
2. "Property damage" arising in whole or in part out of the actual, alleged or threatened presence of "respirable dust"; or
3. "Personal and advertising injury" arising in whole or in part out of the actual, alleged or threatened exposure at any time to or the presence of "respirable dust".

The following definition applies herein:

"Respirable dust" means respirable particulate matter but does not include living organisms.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Marsh Canada Limited
70 University Ave, Suite 800
Toronto, Ontario
M5J 2M4



ENDORSEMENT NO. 15

Date of Issuance: June 26, 2013

THIS ENDORSEMENT, EFFECTIVE JUNE 1, 2013, FORMS A PART OF POLICY NO. 114174 OF THE POLICY ISSUED TO COAST GUARD AUXILIARY INC ET AL.

EXCLUSION – SILICA

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from, or incurred by reason of any one or more of the following:

The actual, alleged or threatened respiration or ingestion at any time of "silica", including but not limited to:

1. "Bodily injury" arising in whole or in part out of the actual, alleged or threatened respiration or ingestion at any time of "silica"; or
2. "Property damage" arising in whole or in part out of the actual, alleged or threatened presence of "silica"; or
3. "Personal and advertising injury" arising in whole or in part out of the actual, alleged or threatened exposure at any time to or the presence of "silica".

The following definition applies herein:

"Silica" means the chemical compound silicon dioxide (SiO₂) in any form, including dust which contains "silica".

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Marsh Canada Limited
70 University Ave, Suite 800
Toronto, Ontario
M5J 2M4