



Excess Third Party Liability Automobile Policy

S.P.F. No. 7

This form is approved by Alberta's Superintendent of Insurance effective January 1, 2027

PLEASE READ THIS CAREFULLY



INSURING AGREEMENTS

In consideration of the payment of the premium specified and of the statements contained in the application and **subject to the limits, special provisions, definitions and conditions herein stated** and subject, insofar as applicable, to the terms, conditions, general provisions, definitions and exclusions set forth in the first loss policy described in Item 5 of the application, which said terms, conditions, general provisions, definitions and exclusions are by reference incorporated herein, the Excess Insurer agrees to indemnify the Insured under the first loss motor vehicle liability insurance against liability imposed by law upon the Insured for an amount or amounts in excess of the limit(s) of the first loss insurance and the underlying excess insurance for loss or damage arising from the ownership, use or operation of the automobile(s) covered under such first loss insurance and the underlying excess insurance resulting from Bodily Injury to or Death of any Person or Damage to Property.

SPECIAL PROVISIONS AND DEFINITIONS

1. The Excess Insurer's ultimate net loss liability shall not exceed the limit stated in Item 4 of the application in excess of the limit(s) of the first loss policy, and the underlying excess policy(ies) stated in Item 5 thereof, or such amount as the first loss insurer and the underlying excess insurer shall be liable to pay under statute, whichever is the greater.
2. The words "ultimate net loss" used in this Policy mean the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and for other valid and collectible insurances excepting the first loss and underlying policy(ies) and shall exclude all expenses and costs.
3. The word "costs" used in this Policy means interest accruing after entry of a judgment upon the part of the judgment which is within the limit of the Excess Insurer's liability, investigation, adjustment and legal expenses, excluding, however, all office expenses of the Insured, all expenses of salaried employees of the Insured and general retainer fees for counsel normally paid by the Insured.
4. The Excess Insurer agrees to pay costs incurred by or on behalf of the Insured where these costs are not covered by the first loss or underlying excess policy(ies), on the following basis:
 - (a) should any claim or claims become adjustable prior to the commencement of trial for not more than the first loss and underlying excess policy limit(s) then no costs shall be payable by the Excess Insurer;
 - (b) should, however, the amount for which said claim or claims may be so adjustable exceed the first loss and underlying excess policy(ies) limit(s), then the Excess Insurer shall contribute to the costs incurred on behalf of the Insured in the ratio that the Excess Insurer's proportion of the ultimate net loss as finally adjusted bears to the whole amount of such ultimate net loss;
 - (c) in the event that the Insured or the Insurer under the first loss policy elects not to appeal a judgment in excess of the limit(s) of the first loss and underlying and excess policy(ies) the Excess Insurer may elect to conduct such appeal and shall be liable for the taxable costs and interest incidental thereto; but in no event shall the total liability of the Excess Insurer exceed the limit of liability stated in Item 4 of the application, plus

the expense of such appeal.

5. All recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Excess Insurer, provided always that nothing in this Policy shall be construed to mean that losses under this Policy are not payable until the Insured's ultimate net loss has finally been ascertained.
6. Liability to pay under this Policy shall not attach unless and until the first loss and underlying excess insurer(s) shall have admitted liability for the first loss and underlying excess limit(s) or unless and until the Insured has by final judgment been adjudged to pay an amount which exceeds such first loss and underlying excess limit(s) and then only after first loss and underlying excess insurer(s) has/have paid or has/have been held liable to pay the full amount of the first loss and underlying excess limit(s).
7. Neither the inclusion of more than one entity in the name of the Insured nor the addition of any additional Insureds under this Policy shall in any way operate to increase the limit of liability set forth in Item 4 of the application.
8. Notwithstanding Statutory Condition 3(1) contained in the first loss policy the Insured is only required to give the Excess Insurer notice of any accident if the claim or claims possibly arising therefrom appear likely to exceed the first loss insurance, in which case immediate written notice thereof must be given to the person or firm mentioned in Item 7 of the application.
9. **ACCIDENT INSURANCE BENEFITS NOT INCLUDED**
Despite the provisions of part 2 of the *Automobile Insurance Act*, and on authority granted to the Superintendent of Insurance in the *Automobile Insurance Act*, this policy provides Section A - Third Party Liability coverage only and does not include coverage for benefits set out under part 2 of the *Automobile Insurance Act*, commonly known as Care-First benefits.
10. Limitation of Actions - Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Automobile Insurance Act.