

2015 Health Unit Insurance Proposal

MIDDLESEX LONDON HEALTH UNIT

Quotation for the Policy Term January 1, 2015 to January 1, 2016

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Frank Cowan Company Limited
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About Frank Cowan Company

Frank Cowan Company is a leader in providing specialized insurance programs, including risk management and claims services for municipalities and public service, healthcare, education, community, children's and social service organizations across Canada. Proven industry knowledge, gained through over eight decades of partnering with insurance companies and independent brokers, gives Frank Cowan Company the ability to effectively manage the necessary risk, advisory and claims services for both standard and complex issues.

Frank Cowan Company Limited is affiliated with Cowan Insurance Group Ltd., The Guarantee Company of North America and Millennium Credit Risk Management Limited through common ownership under Princeton Holdings Limited.

The Advantage of a Managing General Agent

Frank Cowan Company is a Managing General Agent (MGA) with the authority to write business on behalf of specific strategic insurers. MGAs are focused, specialized and dedicated to specific areas providing insurers with underwriting, claims, risk management and administrative services.

Risk Management

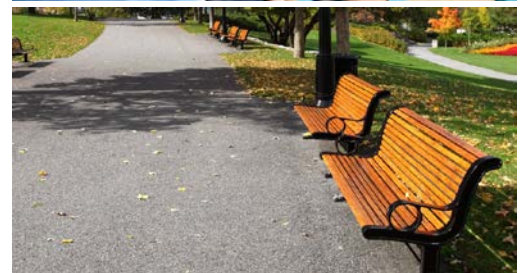
Frank Cowan Company believes that good risk management can go a long way in mitigating risk for your organization. We are the leader in specialized risk management and place emphasis on helping your organization develop a solid plan to minimize your exposure before potential incidents occur. Our highly trained risk management team offer their expertise in multiple ways: through site visits, loss control inspections, education sessions and consulting services.

Our continuous legislative reviews keep you fully informed of regulatory changes that could affect your liability and insurance coverage and our comprehensive Risk Management Centre of Excellence is an online hub of constantly updated articles, videos, checklists, tips and templates to help you implement industry best practices.

Claims Management

The Frank Cowan Company in-house team of experts have the depth of knowledge, experience and commitment to manage the complicated details of claims that may arise in specialized industries. Because we insure organizations of various sizes across Canada, we have a broad perspective on numerous issues that can help you at the local level.

In addition to direct claims handling, we also provide guidance and act as a resource to our clients on claims issues and inquiries. We plan for worst case scenarios so we're prepared to help if a claim occurs. That's why we created our Claims Disaster Management Plan. If you experience a serious claim involving your property, our Disaster Management Plan outlines services that could be available to you. These include help aligning contractors or other emergency resources, making claims funds available quickly and anything else we can do to assist you in helping your community recover and rebuild.



Your Insurance Coverage Highlights

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Casualty

Coverage Description	Deductibles	(\$ Limit of Insurance
General Liability (Occurrence Form) <i>Broad Definition of Insured</i>	\$ 5,000	15,000,000 Per Claim No Aggregate
Sewer Backup	\$ 5,000	
Medical Payments		10,000 Each Person 50,000 Each Accident
Forest Fire Expense		1,000,000 1,000,000 Aggregate
Employers' Liability		Included
Medical Malpractice Liability (Claims Made Form) Retroactive Date January 1, 2003	\$ 5,000	15,000,000 15,000,000 Aggregate
Errors & Omissions Liability (Claims Made Form) Retroactive Date January 1, 2003	\$ 5,000	15,000,000 Aggregate
Directors' & Officers' Liability (Claims Made Form)	\$ 5,000	5,000,000 Aggregate
Non-Owned Automobile Liability		15,000,000
Legal Liability for Damage to Hired Automobiles	\$ 500	50,000
Environmental Liability (Claims Made Form)	\$ 5,000	1,000,000 2,000,000 Aggregate

Automobile – Excess Liability

Coverage Description	Deductibles	(\$ Limit of Insurance
Underlying Policy	(\$ Underlying Limit	5,000,000
Owned Automobile	10,000,000	

Follow Form – Excess Liability

Coverage Description	Deductibles	(\$ Limit of Insurance
Underlying Policy	(\$ Underlying Limit	10,000,000
General Liability	15,000,000	
Errors & Omissions Liability	15,000,000	
Non-Owned Automobile	15,000,000	
Owned Automobile	15,000,000	

Total Limit of Liability (\$) 25,000,000

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Crime

Coverage Description	Deductibles	(\$ Limit of Insurance
Employee Dishonesty –Form A (Commercial Blanket Bond)		100,000
Loss Inside the Premises (Broad Form Money & Securities)		10,000
Loss Outside the Premises (Broad Form Money & Securities)		10,000
Money Orders and Counterfeit Paper Currency		100,000
Forgery or Alteration (Depositors Forgery)		100,000
Audit Expense		100,000

Accident

Coverage Description	Deductibles	(\$ Limit of Insurance
Board Members : Persons Insured – Eleven Board Members		
Board Members Accidental Death & Dismemberment		100,000
Paralysis		200,000
Weekly Income – Total Disability		300
Weekly Income – Partial Disability		150

Conflict of Interest

Coverage Description	Deductibles	(\$ Limit of Insurance
Legal Fees Expenses		100,000 Per claim No Aggregate

Legal Expense

Coverage Description	Deductibles	(\$ Limit of Insurance
Legal Defence Cost		100,000 250,000 Aggregate

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Property

Coverage Description	Deductibles	Basis	(\$) Limit of Insurance
Property of Every Description - Blanket	\$ 5,000	RC	4,613,175
Valuable Papers			250,000
Accounts Receivable			250,000
Media			250,000
Extra Expense			250,000
Earthquake			Excluded
Flood			Excluded
(\$) Total Amount of Insurance			5,613,175
RC = Replacement Cost ACV = Actual Cash Value VAL = Valued			

Schedule of Coverage

(Coverage is provided for those item(s) indicated below)

Owned Automobile

Coverage Description	Deductibles	(\$) Limit of Insurance
Liability		
Bodily Injury		10,000,000
Property Damage		Included
Accident Benefits		As stated in Section 4 of the Policy
Uninsured Automobile		As stated in Section 5 of the Policy
Direct Compensation – Property Damage		
*This policy contains a partial payment of recovery clause for property damage if a deductible is specified for direct compensation-property damage.		
Loss or Damage**		
Specified Perils (excluding Collision or Upset)		
Comprehensive (excluding Collision or Upset)		
Collision or Upset		
All Perils	\$1,000	
Endorsements		
#20 - Loss of Use		900/Occ
#44R - Family Protection Coverage		1,000,000
** This policy contains a partial payment of loss clause. A deductible applies for each claim except as stated in your policy.		

Total Annual Premium (Excluding Taxes Payable)	64,677
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Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

The premium Quoted is subject to a 15% minimum retained.

Enhancements to the Insurance Program

Please be advised of the following changes to your insurance program that now apply:

Please note the change of Insurer(s), participation percentage and/or policy number(s).

Crime Coverage

- Crime coverage has been amended and enhanced as per the attached Crime Change Highlights sheet. New coverage options are available – see Options section.
- Separate limits now apply in addition to other Insuring Agreements:
 - Money Orders and Counterfeit Paper Currency
 - Forgery and alteration
 - Audit Expense
- Computer and Transfer Fraud now includes Voice Computer Toll Fraud (Telephone Long Distance Toll Fraud).

Non-Owned Automobile Coverage

- Enhancements to the Non-Owned Automobile policy (S.P.F. 6) have been made to reflect industry standard wordings. This stand-alone policy includes the standard Non-Owned Automobile endorsements S.E.F. 96 and S.E.F. 99 into the base wording.
- The S.E.F. 94 (Legal Liability for Damage to Non-Owned Automobiles) is automatically included on the standard S.P.F. 6 policy for *All Perils* coverage and has been updated to industry standard wording which brings back the exclusion:
 - *2 (b) - to any automobile while being used without the consent of the owner thereof.*
 - Under the General Liability policy coverage is brought back in for employees of the insured while in pursuance of their duties.
- The S.E.F. 99 (Excluding Long Term Leased Vehicle Endorsement) has been updated to industry standard by removing the phrase:
 - *“With Respect to (b) above this endorsement does not apply to Contractors and utilized by the Insured for winter maintenance”.*
 - Removal of this section allows the coverage to return to the primary owned automobile policy where the coverage is intended to have been covered. If there are any questions regarding this amendment please contact Frank Cowan Company.
- The definition of “Additional Insured” has been broadened and is consistent with the General Liability Policy.
- Statutory Conditions are no longer attached; however the applicable wording approved by the Superintendent of Insurance for the Province in which the policy is issued will apply.

Crime Coverage Change Highlights

Overview

The crime policy now includes modern language for easier understanding of the coverage as well as new and improved coverage options.

Insuring Agreements and Updated Coverage

Insuring Agreements for most crime coverage options are now included within the base wording. An Insured may elect which or all of the Insuring Agreements best suit their needs. Insuring Agreements Include:

- Employee Dishonesty – Form A
- Loss Inside and Loss Outside the Premises (Broad Form Money and Securities)
- Money Orders and Counterfeit Paper Currency
- Forgery and Alteration (Previously Depositors Forgery)
- Credit Card Forgery
- Computer and Transfer Fraud
- Extortion (Threats to Persons and Threats to Property)
- Pension or Employee Benefit Plan Coverage
- Loss Sustained by a Client (Previously Third Party Bond Coverage)
- Audit Expense

Updated coverage includes:

- Computer and Transfer Fraud now includes Voice Computer Toll fraud (long distance fraud) coverage
- Audit Expense is now a separate limit with limits being in addition to that of other Insuring Agreements

New coverage options are available:

- Extortion Coverage (for persons and property)
- Pension or Employment Benefit Plan Coverage
- Residential Trust Fund Coverage (for select classes of business)

Exclusions, Conditions and Definitions

Due to the expanded coverage now available under one wording numerous changes to Exclusions, Conditions and Definitions have been made:

Exclusions

While the exclusions have been re-written many have the same intent as the previous wording. Notable exclusion changes include:

- The data exclusion being updated with more appropriate and modern language.

New exclusions for:

- Indirect or consequential loss the Insured may suffer as a result of a crime loss;
- Unauthorized instructions via a computer unless Insuring Agreement VII – Computer and Transfer Fraud is purchased;
- Unauthorized trading of property is only covered under Insuring Agreement I Employee Dishonesty Coverage.

Conditions

Notable changes in Conditions include:

- Territory: Now worldwide
- Liberalization clause: New
- Duties In Event of a Claim: Restricted to 90 days after a discovery or 60 days after termination
- Loss sustained/Discovery Period: Form A bond and Forgery or Alteration coverage continues to have a one year discovery period unless coverage is replaced with another policy at which time the discovery period ends immediately.
- Special Conditions Section: Added due to expanded coverage

Definitions

Numerous definitions have been added many of which are applicable to Computer and Transfer Fraud coverage.

The information in this notice is intended for informational purposes only. For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. 0914

PROGRAM OPTIONS

1. Liability

Coverage is available for sexual abuse therapy and counselling expenses for members qualifying under the Regulated Health Professions Act 1991 (Ontario) or an equivalent Act or Regulation of another Province or Territory.

2. Crime Coverage

Optional Coverages are now available.

See attached New Crime Cover Options page for further details.

Quote is available on request (completed application is required).

3. Board Members' Accident

Consideration should be given to increasing the Principal Sum for Loss of Life and Capital Sum for Dismemberment from \$ 100,000. to \$ 250,000. and the weekly indemnity limits for Total Loss of Time from \$ 300. to \$ 500. and for Partial Loss of Time from \$ 150. to \$ 250. for an additional annual premium of \$ 275.

4. Cyber Liability

Organizations rely on technology and the safe processing and storage of data to conduct business on a daily basis. Ensuring the security of data information is becoming an increasingly difficult task, especially considering changing regulations. A failure in technology or data breach can have significant consequences not only on the balance sheet but also to your organization's reputation.

Cyber Risk Insurance is available. See attached Highlights Sheet. A completed application is required should a quote be requested.

New Crime Coverage Options

Overview

New coverage options include:

- Telephone Long Distance (toll) fraud coverage
- Extortion Coverage (Threats to persons and property)
- Pension or Employment Benefit Plan coverage
- Residential Trust Fund Coverage

Additional coverage options include:

- Credit Card Coverage
- Client Coverage (Third Party Bond)

Voice Computer Toll fraud (long distance fraud) Coverage

Coverage is automatically included when Computer and Transfer Fraud is purchased.

Provides coverage for any charges incurred by the Insured for telephone long-distance toll-calls as a direct result of the fraudulent use of either an account code or a system password in connection with a voice computer system (telephone system), when the system is owned or leased by the Insured, and installed on the premises.

Extortion Coverage

Nominal limits are available for both 'Threats to Person' and 'Threats to Property'

Threats to Persons

Provides coverage when a threat is communicated to the Insured to do bodily harm to a director, officer or partner of the Insured (or a relative) when these persons are being held captive and the captivity has taken place within Canada or the US.

Threats to Property

This provides coverage when a threat communicated to the Insured to do damage to the premises or to property of the Insured located in Canada or the United States of America.

Pension or Employee Benefit Plan Coverage

Coverage is for loss from a pension or employee benefit plan resulting directly from a dishonest or fraudulent act committed by a fiduciary, acting alone or in collusion with others.

Residential Trust Fund Coverage *For Select Classes of business

Coverage is for loss of property (money, securities and other property) held in trust by a residential facility for a resident when the loss occurs from a fraudulent act(s) committed by an employee.

A residential facility includes any residential facility operated for the purpose of supervisory, personal or nursing care for residents.

The resident must be a person who is unable to care for themselves (this could be due to age, infirmity, mental or physical disability).

Coverage is excluded if the resident is legally related to the operator of the residential facility.

Credit Card Coverage

Coverage is designed to protect the insured (a corporate entity) from losses involving forgery or alteration in connection with a corporate credit card.

Client Coverage (Third Party Bond)

Coverage is extended to a third party or client of an Insured for the loss of money, securities or other property resulting from fraudulent or dishonest acts of an employee.

The information in this notice is intended for informational purposes only. For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. 0914

Cyber Risk Insurance Coverage Highlights

Overview

Cyber, network and data exposures impact all companies and thus this solution is suitable for almost any industry. We offer comprehensive Cyber Risk Insurance Coverage to protect an Insured against the cost of a failure in technology or data breach as well as costs involved in restoring the organization's reputation.

Features

- A range of limits available up to \$10 million (sub limits apply to first party coverage).
- Early Claims Resolution Incentive (reimbursement of up to 50% of deductible in certain circumstances)

Coverage

Media Content Services Liability

- Media exposures such as defamation and breaches of intellectual property rights arising from your on-line publishing.

Network Security Liability

- Your failure to protect against unauthorized access to or unauthorized use of or denial of services attack by a hacker

Privacy Liability

- Violation of data protection and privacy regulations/legislation.

Privacy Notification Costs

- Costs to assist you in dealing with a data breach including costs of notification and costs of credit monitoring.

Regulatory Proceedings

- Regulatory fines and claims expenses that you become legally obligated to pay as a result of a regulatory proceeding.

Extortion Threat

- Cover to assist you in dealing with the costs of handling/response to a threat from a hacker to attack your information and electronic assets.

Crisis Management Expense

- Costs to assist you after a network compromise such as public relations costs.

Business Interruption

- Covers the reduction in business income during the period of restoration after a network compromise

Limits and Deductibles

Limits

- Pays up to the Limit of Insurance for each coverage specified, subject to an Aggregate Limit.

Deductibles

- A separate deductible may apply to each coverage.

The information in this notice is intended for informational purposes only. For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings. 0913

Description of coverage

General Liability Insurance

- Insures against liability imposed by law for damages because of bodily injury or death to any person resulting from the operations of the insured and for damages to or destruction of property of others caused by an accident.
- Insures against liability imposed by law for damages because of Personal Injury sustained by any person caused by false arrest, detention or imprisonment, malicious prosecution, libel, slander, defamation of character, humiliation, invasion of privacy, wrongful eviction, wrongful entry and discrimination.
- Included as Insured's are Trustees, Directors, Executive Officers, Board Members, Commission or Committee Members Employees and Volunteers while performing their duties as such.
- Bodily Injury, Property Damage, Products & Completed Operations Liability.
- Professional Liability (Malpractice) included
- Blanket Tenants' Legal Liability included
- Advertisers Liability included
- Employers Liability included
- Forest Fire Expense
- Medical Payments
- Deductible and Reimbursement Agreement
- Sewer backup (per claimant deductible reimbursement)
- If applicable, refer to the attached Additional Insured(s) form.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply

Hospital Medical Malpractice Liability Insurance (Claims Made Form)

- Insures Medical Malpractice Liability imposed by law on a claims made basis for damages because of bodily injury, sickness, disease, mental anguish, mental suffering, mental injury, shock, disability or death sustained by any person arising out of the rendering of or failure to render any professional treatment or service which is rendered on or to the person of an individual in or under the auspices of a hospital or in connection with the dispensing of any prescription, remedy, drugs or medical, surgical or dental supplies or appliances or the handling of or performing post mortem examinations on human bodies.
- Third Party Claims Deductible including all expenses (including Adjusting Expenses) applies on all claims arising out of any one accident or occurrence.
- Claims made policy to cover claims FIRST made during the term of the policy arising from Medical Malpractice, which occurred on or after the retroactive date stated on the schedule of coverage.
- Bodily Injury, Property Damage and Personal Injury.
- Other Extensions
 - Broad Definition of Insured
 - 90 days automatic extended reporting period.
 - Punitive Damages

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply

Errors and Omissions Liability Insurance

- Insures against liability imposed upon it by a court of Civil Law for compensatory damages because of an error, omission or negligent act arising from professional services.
- Covers claims made during the Policy period arising from an error, omission or negligent act occurring during that policy period. It also covers claims made during the term of the Policy arising from errors, omissions or negligent acts occurring after the retroactive date shown in the Declarations, provided the Corporation had no knowledge of such error, omission or negligent act when the policy was taken out.
- Retroactive Date as shown the Highlights of Coverage summary.
- Deductible and Reimbursement Agreement

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply

Directors' and Officers' Liability Insurance

- Insures the Directors and the Entity against claims for wrongful acts. Covers claims made during the policy period arising from wrongful acts occurring during the policy period.
- Defence expenses in addition to the Limit of Insurance
- Worldwide coverage
- Non-rescindability
- Order of Payments protects Directors first
- Non-cancellable by Insurer (except non-payment)
- Outside Directorship included
- Extended Reporting provision
- Spousal Liability
- Employment Practices Wrongful Acts
- Employee Benefit Plan coverage
- Deductible and Reimbursement Agreement

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Non-Owned Automobile Liability Insurance

- Provides legal liability protection against claims arising out of accidents involving vehicles not owned by the Insured but being operated on their behalf. Coverage is provided as per the Statutory Non-Owned Automobile policy.
- Physical Damage insures the legal liability of the Insured for damage to vehicles not owned by them.
- This stand-alone policy includes the standard Non-Owned Automobile endorsements S.E.F. 96 and S.E.F. 99 into the base wording.
- The definition of “Additional Insured” is broadened to include:
 - Council, Commission or Committee Members of the “Named Insured”;
 - Trustees, Board Members, Directors, Partners or Executive Officers created by the “Named Insured’s” charter, constitution, by-laws or any other similar governing document;
 - Employees or volunteers;

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Environmental Liability Insurance

- This policy protects the Insured against liability caused by Environmental Impairment arising out of their operations for claims because of bodily injury, property damage or Environmental Impairment.
 - Health Units may be exposed to third party claims for environmental damages arising from, but not limited to, such risks as the ownership and/or operation of:
 - Sewage systems
 - Water systems
 - Underground fuel tanks
- The Environmental Liability policy is written on a Claims-Made form which means that the policy will respond to a claim first made against the Insured during the policy period.
- The Environmental policy is a Liability contract which provides protection for third party claims and, therefore, some expenses are excluded, including, but not limited to the following:
 - Expenses incurred to clean-up, or repair, the Insured's own property or property rented to the Insured;
 - Fines, penalties and punitive damages;
 - Liability assumed by the Insured under any contract or agreement, except any agreement with Her Majesty the Queen as represented by the Minister of the Environment.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Crime Insurance

Coverage is provided only if a specific amount is shown in the Schedule of Coverage

No deductible applies unless specified in the Schedule of Coverage.

Comprehensive Dishonesty, Disappearance and Destruction policy includes (if specified on the Highlights of Coverage):

- Employee Dishonesty – Form A Commercial Blanket Bond
 - Insures the loss of money, securities or other property sustained through the fraudulent or dishonest acts of any of the Insured's Employees and Board Members.
- Money Orders and Counterfeit Paper Currency
 - Provides coverage when Insured accepts false post office or express company money orders or counterfeit Canadian or U.S. currency.
- Forgery and Alteration
 - Provides coverage when there is a forgery or alteration to a financial instrument (cheque, draft or promissory note).
- Audit Expense
 - The audit expense coverage provides for the reimbursement of reasonable expenses incurred by the Insured to prepare proof of a valid loss under the policy.
- Loss Inside and Loss Outside the premises (Broad Form Money & Securities)
 - Insures loss of monies and securities sustained by the Insured by the actual destruction, disappearance or wrongful abstraction thereof.
- Computer and Transfer Fraud (Including Voice Computer Toll Fraud)
 - Insures against theft of money, securities or property by using a computer to transfer covered from the insured to another person or place.
 - Includes charges incurred for telephone long-distance toll-calls as a direct result of code or password.
- Loss Sustained by Client (Third Party Bond)
 - Extends coverage to a third party or client of the Insured from loss of money, securities or other property resulting from fraudulent or dishonest acts of an employee.

The definition of "messenger" is also extended to include persons not compensated.

The definition of "employee" is extended to include all persons holding positions in the Insured's service that are not compensated, and includes Members of Council, Members of all Boards, Commissions and Committees appointed by and under Council's jurisdiction.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Board Members' Accident Insurance

This policy provides accident insurance coverage for the benefit of the Board Members.

- Coverage applies while the individual is acting within the scope of their duties, including all travel required.
- Aggregate limit applies when more than one Board Member is involved in the same accident.
- Coverage applies to Insured Persons under the age of 80 years
- Coverage is not limited to “authorized” travel only.
- Weekly indemnity for Total Loss of Time is payable for 52 weeks (own occupation). Coverage extends for permanent disability (every occupation).
- A schedule of Dismemberment Benefits and a schedule of Elective Benefits is provided and payable as set out in the policy.
- Accident Reimbursement up to \$ 15,000.
- Dental Expenses are included up to \$5,000.
- Occupational Retraining Expenses are included up to \$15,000.
- Repatriation Expenses are included up to \$15,000.
- Dependent Children’s Education is included up to \$10,000.
- Dependent Children’s Day Care is included up to \$10,000.
- Spousal Occupational Training included up to \$15,000.
- Transportation/Accommodation expenses included up to \$1,500.
- Home Alteration and Vehicle Modification expenses up to \$15,000.
- Seat Belt Dividend up to \$25,000.
- Funeral expenses are included up to \$10,000.
- Identification Benefit up to \$5,000.
- Eyeglasses, Contact Lenses & Hearing Aids up to \$3,000.
- Convalescence Benefit
- Workplace Modification Benefit up to \$5,000.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Conflict of Interest Insurance

This policy provides for the reimbursement of legal fees and expenses incurred by the elected or appointed members of Council who are charged under the Municipal Conflict of Interest Act (or other similar provisions of other Provincial legislation) provided that a court finds:

- (1) there has been no contravention, or
 - (2) contravention has occurred by reason of inadvertence, remoteness, or insignificance, or
 - (3) contravention has occurred by reason of a bona fide error in judgement.
- Coverage is provided in respect of each individual Insured's claim to the maximum limit specified in the Summary of Coverage pages.
 - Separate limit of insurance applies to this coverage.
 - No annual aggregate limit applies.
 - Coverage is extended to include any member of a Board, Commission, or Committee of the Insured as defined in the applicable legislation.
 - Coverage is also included for any subsequent proceedings under this Act.
 - The Insured selects and instructs legal counsel with no intervention by the insurer.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Legal Expense Insurance

This policy provides for payments as costs are incurred (up to Limit of Insurance and Aggregate Limit) of legal defence costs incurred by the insured for:

- Provincial statute or regulation;
- Criminal code coverage when being investigated or prosecuted. Coverage is applicable whether pleading guilty or a verdict of guilt is declared;
- Civil action for failure to comply under privacy legislation;
- Civil action when an Insured is a trustee of a pension fund for the Named Insured's employees

In addition to the Base Coverage, coverage is included for:

- Unlimited Telephone Legal Advice and access to Specialized Legal Representation in event of legal disputes.

Optional Coverages may include the following (if specified on the Highlights of Coverage):

- Contract Disputes and Debt Recovery;
- Statutory Licence Protection;
- Property Protection;
- Tax Protection.

Appeals

Legal costs for appeals are covered for Legal Defence Costs and any Optional Coverage purchased.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Property Insurance

This policy provides “All Risk” coverage to protect the Insured's assets from direct physical loss or damage.

- Property of Every Description - No Co-Insurance
- Blanket Amount on Insured Property (if specified on the Highlights of Coverage)
Insured will not be jeopardized should the value of an asset be undervalued in the schedule and suffer a total loss. Rather, the Insured will enjoy the protection of the blanket limit of all assets combined.
- Insured is not required to provide a signed statement of values and policy does not contain a stated amount clause
- Debris Removal includes First Party Pollution Clean-up on site
- Flood and Earthquake (if specified on the Highlights of Coverage)
- By Laws - Increased Cost of Construction
- By Laws - Removal of Undamaged Portion
- Replacement Cost (if specified on the Highlights of Coverage)
- Replacement On Same Site not required
- Automatic Coverage for newly acquired property
- Professional and Auditors Fees
- Expediting Expense
- Transit included
- Worldwide coverage
- Permission is granted to make additions, alterations and repairs, for property to remain vacant, for unrestricted use of the property and to keep and use such materials as are usual to the Insured's business
- Single Deductible when the Insured suffers a Property and Automobile loss
- Sewer back-up coverage is included.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply

Data Processing Insurance

- System and Equipment - Insures against All Risks of direct physical loss or damage to Data Processing System and Equipment, including loss or damage while in transit or temporarily removed from the premises. Covers loss or damage caused by mechanical failure, faulty construction, design errors, dryness or dampness in atmosphere, corrosion, rust, short circuit, blow-out or other electrical disturbances; dishonest, fraudulent or criminal acts of employees, earthquake and flood damage
- Data Processing Media - Insures against All Risks of direct physical loss or damage to data processing media including loss or damage while in transit or temporarily removed from the premises.
- Extra Expense - Insures the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal operation of its business, immediately following damage to or destruction of the insured data processing system including equipment, as a direct result of all risks of physical loss or damage.
- Property newly acquired will be automatically covered providing notice is given to the Insurer promptly. In addition, the Insured shall review the above values annually and report any such changes to the Insurer.
- The deductible will apply to a claim under any of the Insuring Agreements or a combination thereof and will be waived if a claim also presented under an Automobile policy which includes damage to insured property.
- Maintenance agreement on equipment not required but, if not available, a deductible (minimum of \$ 1,000.) will apply to losses due to breakdown or disturbance unless the policy deductible stated above is greater in which case the policy deductible shall apply.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Automobile Insurance

- Coverage is provided for Third Party Liability for Bodily Injury and Property Damage arising from the use or operation of all licenced vehicles owned and/or leased by the Insured.
- Direct Compensation - Property Damage (to the extent not at-fault) for damage to owned vehicles provided as per Statute.
- Standard Statutory Accident Benefits provided as per Statute.
- Optional Increased Accident Benefits Coverages Available upon request including Income Replacement; Caregiver, Housekeeping & Home Maintenance; Medical & Rehabilitation; Attendant Care; Enhanced Medical Rehabilitation & Attendant Care; Death & Funeral; Dependant Care; Indexation Benefit (Consumer Price Index)
- Physical Damage Deductibles (if shown on the Schedule of Coverage).
- Insures all licenced vehicles owned and/or leased by the Insured for physical damage (if shown on the Schedule of Coverage).
- Replacement Cost coverage provided on specified vehicles (Thus no deduction for depreciation for repairs or replacement of vehicles). On a total loss, the Insured has the option of purchasing a new vehicle, or accepting a cash settlement for the amount it would cost to purchase a new vehicle.
- On a partial loss, repair estimates are calculated by using all new parts to repair damage.
- Valued coverage (#19A) can be provided on specified vehicles, usually those that are obsolete, would not be replaced, or would be replaced with a used vehicle.
- If a single loss involves both the Automobile and Property Insurance policies, the Property policy deductible is waived only on any insured property attached to the automobile.
- Vehicle Insured:
 - 2007 Dodge Caravan S/N 1D4GP24R47B145655 ACV

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Automobile - Excess Insurance

- Following form of primary coverage

Follow Form - Excess Insurance

- Following form of primary coverage as indicated on highlights.

Please refer to the insurance contract for all limits, terms, conditions and exclusions that apply.

Frank Cowan Company Value Added Services

Frank Cowan Company offers a full range of valued added services to assist in the management and reduction of risk. Most often we can provide the services listed below at **no additional cost to clients**.

Risk Management

Frank Cowan Company believes that good risk management can go a long way in mitigating risk. As the leaders in specialized risk management, Frank Cowan Company places emphasis on helping your organization develop a solid plan to minimize your exposure before potential incidents occur. A highly trained risk management team offers their expertise in several ways: through site visits, loss control inspections, education sessions and consulting services.

a. Risk Management Centre of Excellence

The Risk Management Centre of Excellence is an online resource library that houses hundreds of checklists, articles, claim case studies, videos and more. Every client receives unlimited, free access to the Centre of Excellence and can download material to share and use.

Visit <http://excellence.frankcowan.com>.

b. Legislative Reviews

By monitoring new legislation and amendments to existing legislation that may impact municipal operations, changes are identified in a timely manner allowing clients to modify their current risk management program to incorporate these changes.

c. Benchmarking

Frank Cowan Company has an extensive database of clients and claims information can help clients get a better understanding of risk performance by benchmarking results against peer results. This information can help clients take proactive measures where necessary to improve policies and procedures.

d. Liability Hazard Assessment

Frank Cowan Company municipal clients are involved in a wide range of diverse activities to serve the public. These lead to various potential public liability situations. Frank Cowan Company works with clients to provide specific hazard identification and analysis of these exposures.

e. Building Valuations

Frank Cowan Company conducts periodic detailed inspections of property and buildings with formal reports, replacement cost valuations for insurance purposes, photographic inventory with recommendations to correct potential hazards.

f. Seminars & Staff Training

A wide range of presentations can be delivered to clients on an on-going basis to ensure continuous education.

g. Risk Inspections

The inspection process determine the construction details, updates the use and occupancy classification, produces a photographic inventory of the buildings and calculates replacement costs for insurance purposes. The inspection will further incorporate a review of the properties and operations for potential liabilities.

h. Contractual Reviews

Gain valuable feedback and insight on the suitability and effectiveness of liability transfers and insurance clauses in contracts and agreements.

i. Policy and Procedural Audits

Frank Cowan Company can audit systems and processes to reduce potential losses within your operations and specifically focus on documentation, reporting and consistency with accepted standards and practices.

Claims Management

The Frank Cowan Company in-house team of experts have the depth of knowledge, experience and commitment to manage the complicated details of claims that may arise in specialized industries. Because we insure organization of various sizes across Canada, we have a broad perspective on numerous issues that can help you at the local level.

In addition to direct claims handling, Frank Cowan Company also provides guidance and acts as a resource to clients on claims issues and inquiries.

Claims are handled fairly and efficiently. Claims made against you are handled with the consistent strategy of defending or discouraging those claims that are without merit, or reaching a reasonable settlement on claims that do merit payment. Detailed claims progress reports are produced and can be organized by type of loss or department to suit client needs.

a. Claims Disaster Management Plan

The Frank Cowan Company Claims Disaster Management Plan helps clients if they experience a serious claim involving property. The Plan outlines services that could be available to clients including helping to align contractors or other emergency resources, making claims funds available quickly and providing assistance to help communities recover and rebuild.

Cost Analysis

Proposed Cost

Casualty

General Liability	12,727
Medical Malpractice Liability	24,931
Errors and Omissions Liability	6,193
Directors' and Officers' Liability	5,012
Non-Owned Automobile Liability	200
Environmental Liability	1,000
Crime	1,377
Board Members Accident	407
Conflict of Interest	600
Legal Expense	1,751

Property

Property / Data Processing	2,242
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Automobile

Owned Automobile	1,087
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Excess

Excess Automobile	200
Follow Form	6,890

Total Annual Premium

\$ 64,677

(Excluding Taxes Payable)

The premium Quoted is subject to a 15% minimum retained.

EXHIBIT "A"
CONTENTS AND EQUIPMENT
01/01/2015

1	HEALTH UNIT (HEAD OFFICE) CONTENTS, 50 KING STREET, LONDON, N6A 5L7	
2	COMPUTER EQUIPMENT, 50 KING STREET, LONDON, N6A 5L7	
3	HEALTH UNIT CONTENTS, 51 FRONT STREET EAST, STRATHROY, N7G 1X6	
4	COMPUTER EQUIPMENT, 51 FRONT STREET EAST, STRATHROY, N7G 1X6	
5	HEALTH UNIT CONTENTS, 201 QUEENS AVE, LONDON, N6A 1J1	
6	COMPUTER EQUIPMENT, 201 QUEENS AVE, LONDON, N6A 1J1	
7	VALUABLE PAPERS	LIM
8	ACCOUNTS RECEIVABLE	LIM
9	EXTRA EXPENSE	LIM
10	MEDIA	LIM

ADMINISTRATION SHOULD CAREFULLY EXAMINE THIS SCHEDULE TO DETERMINE ACCURATE INFORMATION. ANY CHANGES OR DISCREPANCIES SHOULD BE REPORTED TO US.

REF:48700

QUOTE ID: 155027