



1593 Four Mile Creek Road  
P.O. Box 190  
Virgil, Ontario  
L0S 1T0

**December 03, 2021**

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quote through the tendering process. Insurance premiums will likely increase especially if the municipality has a poor loss history. An insurer's capacity to underwrite business can also be reduced.

We are now in a hard market and to ensure municipal insurers are able to continue to offer liability insurance, municipal insurers are increasing premiums and, in some cases, requiring a deductible increase along with more stringent underwriting requirements.

The Town has received the renewal proposal (attached as Appendix I) providing coverage for the term January 1 to December 31, 2022. The proposal outlines all coverages and costs. Premiums for the 12-month term total \$559,913. Unless noted otherwise, all amounts stated in this report will be before applicable taxes.

Compared to the previous 12-month premium of \$483,044, the 2022 premium represents an increase of \$76,869 (16%). Despite an increasingly challenging market, this increase of 16% is down approximately half the amount in comparison to last years increase of 30%.

The majority of the increase can be broken down as follows:

\$29,353 – Casualty/Population Insurance. This increase is due to a standard market increase of 15% (compared to 53% in 2021). The Town's current 10 year average loss ratio is 140.6%, where a loss ratio of 40% or under would be considered acceptable, and is mainly driven by some significant losses between 2011-2013.

\$26,938 - Property Insurance. This is a 17% increase due to an increase in property values and market conditions. Currently there are few providers willing to insure municipal properties as the number and value of claims have increased across the globe.

\$2,459 - Automobile Insurance. This increase is due to the industry standard of a 4% increase in vehicle values and the purchase of additional vehicles throughout 2021.

\$16,350 - Cyber Liability. This reflects a 90% increase due to the rapidly changing cyber landscape. Municipalities in particular have been the target of cyber attacks resulting in increased claims in the overall marketplace.

\$1,244 - Umbrella Liability. This increase is due to market conditions (10%).

## **5. STRATEGIC PLAN**

N/A

## **6. OPTIONS**

The Town has the option to increase deductibles on each policy and therefore reduce the total premiums. The Town has two options for increasing the deductible as shown in the chart below.

<b>Deductible</b>	<b>Total Premium</b>	<b>Savings</b>
\$75,000	\$550,313	\$9,600
\$100,000	\$542,633	\$17,280

Despite identifiable savings, further budget implications should be considered since additional funds may be required as a result of an increase in deductible. In the event that large claims are to be paid, The Town will be responsible for a larger deductible, and thus will have an impact on the overall budget.

## **7. FINANCIAL IMPLICATIONS**

The total insurance cost for 2022 will be \$559,913 plus applicable taxes.

## **8. COMMUNICATIONS**

There are no specific communications required as a result of this report.

## **9. CONCLUSION**

Marsh (formerly Jardine Lloyd Thompson Canada Inc) has provided the Town with comprehensive insurance coverage since 2007. The Town has consistently been provided with prompt, professional assistance and advice from a knowledgeable team of experts at Marsh.

**Respectfully submitted,**



**Nick Alaimo**  
**Manager of Finance**  
**/Deputy Treasurer**



**Kyle Freeborn, CPA, CMA**  
**Director, Corporate Services**

ATTACHMENTS



# **INSURANCE PROPOSAL**

## **CORPORATION OF THE TOWN OF NIAGARA-ON-THE-LAKE**

**Date of Issue:** November 15, 2021  
**Prepared by:** Andrea Bartels  
**Direct phone line:** 647-468-4537  
**E-mail address:** andrea.bartels@marsh.com

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## Important – Please Note The Following

### **Duty of Disclosure**

In addition to providing all basic information necessary to enable us to place the risk, you must ensure that you are complying with your legal duty of disclosure of all material matters relating to the risk. In particular, you must satisfy yourself as to the accuracy and completeness of the information you provide to insurers. In this respect, you must provide all information relating to the risk, whether favourable or not, which would influence the judgement of a prudent insurer in determining whether he will take the risk, and, if so, for what premium and on what terms. If all such information is not disclosed by you, insurers have the right to void the policy from its inception which may lead to claims not being paid.

### **Payment Terms**

Premiums are due and payable on receipt of a Marsh invoice. Payment should be made immediately to avoid any possible cancellation for non-payment of premium.

### **Period of Validity of Quote**

This offer remains open for acceptance by the Insured until the expiry of the current Municipal Insurance program policy (ies).

### **Breach of Warranty or Subjectivity**

If any of the terms and conditions contained in this proposal are identified as a “warranty” or as a subjectivity to binding or continuing cover, you should be aware that if the terms of the warranty as stated are breached or the subjectivity is not met, insurers may have the right to void the applicable coverage and deny any resulting or subsequent losses as a result.

### **Underinsurance**

It is important that all policy limits and amounts insured be reviewed carefully and at least annually to be certain they are adequate to provide full recovery in event of a loss.

### **Underwriting / Binding Authority**

Certain portions of this quotation of cover have been provided by Marsh Canada Limited acting in an underwriting capacity on behalf of the Insurer who, under a binding authority agreement,

has given us authority to quote and confirm insuring terms, conditions and premiums. Marsh Canada Limited is not acting as an insurance broker in this instance and is not providing alternative terms or markets for the cover other than as quoted. For covers where Marsh Canada Limited does not act in an underwriting capacity nor has a binding authority agreement with the Insurer, coverage cannot be bound with those Insurers unless a request is made to the Insurer and confirmation of coverage is subsequently received by Marsh Canada Limited from the Insurer.

### **Material Changes From Expiring Policy**

You should carefully note any items identified in the “Changes from Expiry” section under each coverage as they represent material changes in cover from your previous policy.

### **RISK AND CLAIMS INFORMATION**

This proposal has been based on the risk and claims information provided and/or verified by you to Marsh Canada Limited. If any of this information is not correct or has changed in the interim, you must advise us immediately as the terms quoted may therefore be invalid and cover cannot be bound as quoted.

### **TAXES PAYABLE BY INSUREDS**

The following taxes as prescribed by federal and/or local laws and regulations will apply to all or certain portions of the premiums quoted and will be charged by Marsh Canada Limited in addition to the premiums quoted:

Provincial Sales Tax

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## Summary of Coverage, Limits and Deductibles

<b>Name of Insured:</b>	Corporation of the Town of Niagara-On-The-Lake
<b>Policy Period:</b>	December 31, 2021 to December 31, 2022 12:01 a.m. local time at the mailing address of the Named Insured

### Canadian Councils Liability

<b>Limits of Liability:</b>	\$ 5,000,000	General Liability (including Sudden And Accidental Pollution); any one Occurrence and in the Annual Aggregate for Products and Completed Operations during the Policy Period
<b>Sub-Limits of Liability:</b>	\$ 5,000,000	Employers' Liability; any one Claim
	\$ 5,000,000	Tenant Legal Liability; any one Occurrence
	\$ 5,000,000	Employee Benefit Liability; any one Claim
	\$ 5,000,000	Incidental Medical Malpractice; any one Claim Retroactive Date: November 15, 1993
	\$ 50,000	Voluntary Medical Payments; any one Claim and in the Annual Aggregate during the Policy Period
	\$ 2,000,000	Forest Fire Fighting Expense; any one Occurrence and in the Annual Aggregate during the Policy Period
	\$ 50,000	Voluntary Payment for Property Damage; any one Occurrence and in the Annual Aggregate during the Policy Period
	\$ 250,000	Incidental Garage Operations; any one Occurrence and in the Annual Aggregate during the Policy Period
	\$ 100,000	Municipal Marina Legal Liability; any one Pleasure Craft
	\$ 1,000,000	Municipal Marina Legal Liability; in the Annual Aggregate for Legal Liability for Property Damage during the Policy Period
	\$ 500,000	Wrongful Dismissal (Legal Expense); any one Claim and in the Annual Aggregate during the Policy Period
	\$ 100,000	Conflict of Interest Reimbursement Expenses; any one Claim
	\$ 100,000	Legal Expense Reimbursement Expenses; any one Claim and
	\$ 500,000	Legal Expense Reimbursement Expenses; in the Annual Aggregate during the Policy Period

	\$ 5,000,000	Non-Owned Automobile (including Contractual Liability for Hired Autos); any one Occurrence
	\$ 250,000	Legal Liability for Damage to Hired Autos; any one Occurrence
	\$ 5,000,000	Wrap-up Liability – Difference in Conditions and Difference in Limits; any one Occurrence
<b>Endorsements:</b>	\$ 5,000,000	Municipal Errors and Omissions Liability; any one Claim and in the Annual Aggregate during the Policy Period Retroactive Date: Unlimited
	\$ 2,500,000	Environmental Impairment Liability; any one Claim and Retroactive Date: Unlimited
	\$ 5,000,000	Environmental Impairment Liability; in the Annual Aggregate during the Policy Period Retroactive Date: Unlimited
	\$ 250,000	Abuse / Molestation Liability; any one Claim and Retroactive Date: December 1, 2007
	\$ 500,000	Abuse / Molestation Liability; in the Annual Aggregate during the Policy Period Retroactive Date: December 1, 2007
	\$	Voluntary Compensation; As per Endorsement No. 4 – Schedule of Benefits
	\$ 5,000,000	Police Officer Assault; any one Occurrence
<b>Deductibles:</b>	\$ 50,000	Public Entity General Liability; any one Occurrence and in the Annual Aggregate for Products and Completed Operations during the Policy Period any one Occurrence / per Claimant in respect of Sewer Back-up
	\$ 50,000	Extensions of Coverage; per Occurrence / per Claimant for all Extensions of Coverage except:
	\$ NIL	Extensions of Coverage; with respect to Non-Owned Automobile Liability, Conflict of Interest and Legal Expense Reimbursement As per Endorsement No. 4 – Schedule of Benefits for Voluntary Compensation
	\$ 1,000	Extensions of Coverage; with respect to Legal Liability for Damage to Hired Autos
	\$ 50,000	Extensions of Coverage; with respect to Wrongful Dismissal (Legal Expense)
	\$ 50,000	Municipal Errors and Omissions Liability; any one Claim
	\$ 50,000	Environmental Impairment Liability; any one Claim
	\$ 50,000	Abuse / Molestation Liability; any one Claim
	\$ 50,000	Police Officer Assault; any one Occurrence
<b>Endorsement:</b>	1. Excluding Cyber, as per LMA5529 2. Excluding Communicable disease in excess of \$1,000,000, Retention of \$50,000 Any one claimant	



	<p>However, exclusion to apply absolutely in respect of;</p> <ul style="list-style-type: none"> <li>i. child services or child care, long term care, senior care or care home operations</li> <li>ii. all medical facilities, hospitals, medical centres or clinics whether permanent, semi-permanent or temporary</li> <li>iii. any current or future testing, treatment, vaccination or other centres related to the coronavirus pandemic, SARS, SARS Cov-2 or any variation or subsequent variation thereof</li> <li>iv. homeless shelters</li> <li>v. prisons, jails, detention centres, holding cells, correctional services, juvenile correctional facilities</li> <li>vi. any supply of PPE, medical equipment, ventilators, testing equipment or beds related to or intended for use in i. through to iv. above</li> </ul> <p>3. Excluding for-profit entities or commercial subsidiaries</p>
<b>Policy Form:</b>	EK2004502      B0509BOWCI2151416
<b>Insurer(s) and Proportion of Participation(s):</b>	Certain Lloyd's Underwriters (Syndicate 1886) – 100%
<b>Subject To:</b>	<ul style="list-style-type: none"> <li>1. Environmental Impairment Liability - A list of Aboveground and Underground storage tanks is required along with evidence of appropriate results, to be reviewed and approved by the Insurer. Once approved, USTs will be endorsed onto the policy.</li> <li>2. Receipt of updated MCQ/Tank List and confirmation of no new activities/responsibilities</li> <li>3. Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021</li> </ul>

**Canadian Councils Umbrella Liability (First Layer)**

<b>Limit of Coverage:</b>	\$ 20,000,000	any one Occurrence in the Annual Aggregate in respect of Products & Completed Operations
	\$ 20,000,000	any one Occurrence in the Annual Aggregate in respect of Municipal Errors and Omissions Liability
	\$ 20,000,000	any one Occurrence in the Annual Aggregate in respect of Employee Benefits Liability
<b>Excess if Underlying Coverage(s) and Limit(s):</b>	\$ 5,000,000	General Liability; any one Occurrence General Liability including Sudden and Accidental Pollution and Police Officer Assault Endorsement and in the Aggregate in respect of Products and Completed Operations during the Policy Period
	\$ 5,000,000	Incidental Medical Malpractice; any one Claim
	\$ 5,000,000	Municipal Errors and Omissions; in the Annual Aggregate
	\$ 5,000,000	Employer's Liability and Tenant's Legal Liability; any one Occurrence
	\$ 5,000,000	Employee Benefits Liability; any one Claim
	\$ 5,000,000	Non-Owned Automobile Liability including Contractual Liability for Hired Automobiles; any one Occurrence
	\$ 5,000,000	Owned Automobile Liability (Aviva Insurance Company of Canada); any one Occurrence
<b>Retained Limit:</b>	\$ Nil	
<b>Endorsements:</b>	Endorsement #1 - Standard Excess Automobile Liability Policy Follow Form Named Insured, SPF No. 7	
<b>Policy Form:</b>	EK2004498 B0509BOWCI2151417	
<b>Insurer(s) and Proportion of Participations(s):</b>	Certain Lloyd's Underwriters (Syndicate 1886) – 100%	
<b>Subject To:</b>	Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021	

**Canadian Councils Umbrella Liability (Second Layer)**

<b>Limit of Coverage:</b>	\$ 25,000,000	any one Occurrence in the Annual Aggregate in respect of Products & Completed Operations
	\$ 25,000,000	any one Occurrence in the Annual Aggregate in respect of Municipal Errors and Omissions Liability
	\$ 25,000,000	any one Occurrence in the Annual Aggregate in respect of Employee Benefits Liability
<b>Excess if Underlying Coverage(s) and Limit(s):</b>	\$ 25,000,000	General Liability; any one Occurrence General Liability including Sudden and Accidental Pollution and Police Officer Assault Endorsement and in the Aggregate in respect of Products and Completed Operations during the Policy Period
	\$ 25,000,000	Incidental Medical Malpractice; any one Claim
	\$ 25,000,000	Municipal Errors and Omissions; in the Annual Aggregate
	\$ 25,000,000	Employer's Liability and Tenant's Legal Liability; any one Occurrence
	\$ 25,000,000	Employee Benefits Liability; any one Claim
	\$ 25,000,000	Non-Owned Automobile Liability including Contractual Liability for Hired Automobiles; any one Occurrence
	\$ 25,000,000	Owned Automobile Liability (Aviva Insurance Company of Canada); any one Occurrence
<b>Retained Limit:</b>	\$ Nil	
<b>Endorsements:</b>	Endorsement #1 - Standard Excess Automobile Liability Policy Follow Form Named Insured, SPF No. 7	
<b>Policy Form:</b>	EK2004498 B0509BOWCI2151418	
<b>Insurer(s) and Proportion of Participations(s):</b>	Certain Lloyd's Underwriters (Syndicate 1886) – 100%	
<b>Subject To:</b>	Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021	

**Combined Physical Damage & Machinery Breakdown**

<b>Coverage:</b>	Property Of Every Description – All Risks of Direct Physical Loss or Direct Physical Damage (Subject to Policy Exclusions)	
<b>Limits:</b>	\$ 96,997,558	Blanket Limit of Loss on Blanket Property of Every Description including Machinery Breakdown
	\$ 973,697	Computer/Electronic Data Processing (Included in Blanket Limit)
	\$ 564,902	Pay Parking Machines (Included in Blanket Limit)
<b>Extensions of Coverage:</b>	The Limits shown below are included in the Blanket Limit shown above:	
	\$ 500,000	Valuable Papers;
	\$ 500,000	Extra Expense;
	\$ 500,000	Accounts Receivable;
	\$ 500,000	Gross Rentals;
	\$ 500,000	Computer Media;
	\$ 25,000	Fine Arts (Agreed Value);
	The Limits shown below are in addition to the Blanket Limit shown above:	
	\$ 1,000,000	Newly Acquired Property;
	\$ 1,000,000	Buildings in the Course of Construction;
	\$ 500,000	Property in Transit;
	\$ 1,000,000	Unnamed Locations;
	\$ 500,000	Expediting Expense;
	\$ 300,000	Business Interruption – Profits; Subject to maximum of \$25,000 per month
	\$ 1,000,000	Contingent Business Interruption;
	\$ 100,000	Fire Extinguishing Materials and Fire Fighting Expense;
	\$ 500,000	Professional Fees;
	\$ 10,000	Master Key;
	\$ 100,000	Land and Water Pollution Clean Up Expense;
	\$ 100,000	Stock Spoilage;
	\$ 100,000	Consequential Damage;
	\$ 1,000,000	Off Premises Service Interruption;
	\$ 100,000	Exhibition Floater;
	\$ 500,000	Ammonia Contamination;
	\$ 500,000	Water Escape;
	\$ 500,000	Hazardous Substance;
	\$ 5,000	Property of Councillors', Board Members' and Employees'; any one loss (\$25,000 maximum annual policy limit)
<b>Endorsements:</b>	Automobile Replacement Cost Deficiency Endorsement	
<b>Deductible(s):</b>	\$ 25,000	each Occurrence for All Losses except
	\$ 1,000	each Computer/Electronic Data Processing loss

	<p>\$ 100,000 each Flood loss, except \$250,000 for property in 100 year flood zone</p> <p>5% of total loss or \$100,000 minimum, whichever is greater</p> <p>\$ 50,000 each occurrence Testing and Commissioning 2 Hour Waiting Period Off-Premises Service Interruption</p> <p>\$ 1,000 each Fine Art loss</p>
<b>Policy Form:</b>	Municipal Insurance Program - Master Policy (January 1, 2021)
<b>Insurer(s) and Proportion of Participations(s):</b>	<p><b>Physical Damage:</b></p> <p>Aviva Insurance Company of Canada – 70%</p> <p>Zurich Insurance Company of Canada – 30%</p> <p><b>Machinery Breakdown:</b></p> <p>Aviva Insurance Company of Canada – 100%</p>
<b>Subject To:</b>	<ol style="list-style-type: none"> <li>1. Detailed COPE information for all locations over \$1,000,000 values.</li> <li>2. Civic addresses including postal codes for all locations.</li> <li>3. Schedule of Miscellaneous Tools and Contractors Unlicensed Equipment.</li> <li>4. All cooking facilities are ULC wet chemical compliant with semi-annual maintenance contract and Class K portable extinguisher.</li> <li>5. Unless specifically agreed, all heritage properties are covered for Replacement Cost only. For Heritage Replacement Cost, a professional appraisal must be provided for approval by the insurer.</li> <li>6. All locations may be subject to Engineering Inspection.</li> <li>7. 110% Margin Clause</li> <li>8. Terms will remain as indicated subject to no claims deterioration as of effective date December 1, 2018</li> </ol>
<b>Changes from Expiring Policy:</b>	<ol style="list-style-type: none"> <li>1. Flood Loss Deductible increased from \$75,000 to \$100,000</li> <li>2. Definition of Occurrence Added</li> <li>3. Territory amended to Canada only and property while in Transit</li> <li>4. Transmission and Distribution Lines situated beyond 1500 meters of Premises Insured Excluded</li> <li>5. Livestock Excluded</li> <li>6. Loss arising from Weapons of Mass Destruction Excluded</li> <li>7. Contagious Disease Exclusion Endorsement</li> <li>8. Cyber Risk/Computer Hacking Exclusion Endorsement</li> <li>9. Interruption by Civil Authority reduced from 8 weeks to 2 weeks</li> <li>10. Ingress and Egress amended</li> </ol>

**Comprehensive Crime**

<b>Limits:</b>	\$	1,000,000	Employee Dishonesty – Form A
	\$	200,000	Broad Form Loss of Money (Inside Premises)
	\$	200,000	Broad Form Loss of Money (Outside Premises)
	\$	200,000	Money Orders & Counterfeit Paper Currency
	\$	1,000,000	Depositors Forgery
	\$	200,000	Professional Fees / Audit Expenses
	\$	200,000	Computer Fraud or Funds Transfer Fraud
<b>Deductible(s):</b>	\$	Nil	per Loss
<b>Policy Form:</b>	Master Crime Wording (April 2012)		
<b>Insurer(s) and Proportion of Participations(s):</b>	Aviva Insurance Company of Canada – 100%		
<b>Subject To:</b>	<p>1. Bank Accounts NOT being reconciled by the same person(s) authorized to deposit and withdraw funds.</p> <p>2. All cheque requisitions and issued cheques containing dual signatures. If the above is not part of your internal Financial controls, please provide explanation(s).</p> <p>3. Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021</p> <p>4. Subject to receipt and review of completed Crime Application</p>		

**Automobile Insurance (ON)**

<b>Limits:</b>	\$ 5,000,000 Liability – Bodily Injury / Property Damage; <b>Accident Benefits – Basic Benefits;</b> Limits as stated in Section 4 of the Policy <b>Accident Benefits – Options;</b> None Selected; Limits as stated in Policy <b>Uninsured Automobile;</b> Limits as stated in Section 5 of the Policy <b>Direct Compensation – Property Damage;</b> Limits as stated in Section 6 of the Policy <b>Loss or Damage – All Perils;</b> Limits as stated in Policy
<b>Deductible(s):</b>	\$ 10,000 Loss or Damage – All Perils;
<b>Endorsements:</b>	<b>OPCF 3</b> Drive Government Automobiles Endorsement <b>OPCF 4A</b> Permission to Carry Explosives <b>OPCF 4B</b> Permission to Carry Radioactive Material <b>OPCF 5</b> Permission to Rent or Lease  <u><b>Additional Endorsements:</b></u> <b>OPCF 20</b> Loss of Use Endorsement - Limit: \$1,000 per occurrence (Applicable only to Private Passenger Vehicles and Light Commercial Vehicles) <b>OPCF 21B</b> Blanket Fleet Endorsement – No Annual Adjustment <b>OPCF 24</b> Freezing of Fire-Fighting Apparatus <b>OPCF 31</b> Non-Owned Equipment <b>OPCF 32</b> Use of Recreational Vehicles by Unlicensed Drivers <b>OPCF 43R</b> Removing Depreciation Deduction – 24 Months New <b>OPCF 44</b> Family Protection Endorsement  Notice of Cancellation Ninety (90) Days Tarmac Exclusion
<b>Policy Form:</b>	Provincial Statutory Owners Policy
<b>Insurer(s) and Proportion of Participations(s):</b>	Aviva Insurance Company of Canada – 100%
<b>Subject To:</b>	Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021

**Councillors' Accident Coverage**

<b>Limits of Coverage:</b>	\$ 200,000 Principal Sum
<b>Included Coverage:</b>	Number of Councillors: Nine (9) 24 Hour Coverage Out of Province Emergency Medical Coverage for 15 days including Spouse's Coverage
<b>Policy Form:</b>	Insurers Standard Form
<b>Insurer(s) and Proportion of Participations(s):</b>	AIG Insurance Company of Canada – 100%
<b>Subject To:</b>	1. \$2,500,000 Aggregate Limit of Indemnity Per Accident 2. Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021



**Public Entity Recovery Assistance Plan (Critical Illness)**

<b>Sum Insured:</b>	\$ 5,000 Limit for Insured(s) who are age 69 or less Six (6) Councillors or Volunteer Firefighters
<b>Policy Form:</b>	Insurers Standard Form
<b>Insurer(s) and Proportion of Participations(s):</b>	Sutton Special Risk – 100%
<b>Subject To:</b>	Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021

**Municipal Volunteers' Accident Coverage**

<b>Limits of Coverage:</b>	\$ 50,000 Principal Sum - Volunteers of the Policyholder While on Duty Only under the age of 80
<b>Policy Form:</b>	Insurers Standard Form
<b>Insurer(s) and Proportion of Participations(s):</b>	AIG Insurance Company of Canada – 100%
<b>Subject To:</b>	1. Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021 2. \$1,000,000 Aggregate Limit of Indemnity Per Accident

**LCIS – Annual Low Risk Events Liability**

<b>Limits of Coverage:</b>	\$	5,000,000	Bodily Injury & Property Damage any one Occurrence
	\$	5,000,000	Products & Completed Operations Aggregate
	\$	2,000,000	Personal Injury & Advertising Liability
	\$	10,000	Medical Payments per Person
	\$	50,000	Medical Payments per Accident
	\$	5,000,000	Tenant's Legal Liability
	\$	5,000,000	Incidental Medical Malpractice Liability
	\$	2,000,000	Non-Owned Automobile Liability
	\$	50,000	SEF 94 – Legal Liability for Damage to Non-Owned Autos
	\$	1,000,000	Fire Fighting Expense Liability
<b>Endorsements:</b>	USA Jurisdiction Fire Fighting Expense Liability Security Default Cancellation Clause Service of Suit Clause (Canada) (Action Against Insurer) Notice Concerning Personal Information Notice to Insureds Lloyd's Underwriters Policyholder's Complaint Protocol Intention for AIF to bind Clause Sanction Limited and Exclusion Clause		
<b>Deductible:</b>	\$	1,000	per Loss but only with respect to Property Damage Liability, Tenant's Legal Liability and SEF 94 – Legal Liability for Damage to Non-Owned Autos
<b>Policy Form:</b>	LCIS GL 2018		
<b>Insurer(s) and Proportion of Participations(s):</b>	Certain Lloyd's Underwriters (Syndicate 1886) – 100%		
<b>Subject To:</b>	1. Terms will remain as indicated subject to no claims deterioration as of effective date December 31, 2021 2. Provision of an updated Annual Low Risk Events Liability Application		

**Cyber Liability**

<b>Cyber Incident Response:</b>	\$ 5,000,000	Incident Response Costs per Claim
	\$ 5,000,000	Legal and Regulatory Costs per Claim
	\$ 5,000,000	IT Security and Forensic Costs per Claim
	\$ 5,000,000	Crisis Communication Costs per Claim
	\$ 5,000,000	Privacy Breach Management Costs per Claim
	\$ 5,000,000	Third Party Privacy Breach Management Costs per Claim
	\$ 50,000	Post Breach Remediation Costs per Claim (maximum 10% of all sums CFC has paid as a direct result of the cyber event)
<b>Cyber Crime:</b>	\$ 250,000	Funds Transfer Fraud per Claim
	\$ 250,000	Theft of Funds Held in Escrow per Claim
	\$ 250,000	Theft of Personal Funds per Claim
	\$ 2,000,000	Extortion per Claim
	\$ 250,000	Corporate Identity Theft per Claim
	\$ 250,000	Telephone Hacking per Claim
	\$ 50,000	Push Payment Fraud per Claim
<b>System Damage and Business Interruption:</b>	\$ 250,000	Unauthorized Use of Computer Resources per Claim
	\$ 5,000,000	System Damage and Rectification Costs per Claim
	\$ 5,000,000	Income Loss and Extra Expense per Claim (sub-limited to \$1,000,000 in respect of System Failure)
	\$ 100,000	Additional Extra Expense per Claim
	\$ 5,000,000	Dependent Business Interruption per Claim (sub-limited to \$1,000,000 in respect of System Failure)
	\$ 5,000,000	Consequential Reputational Harm per Claim
	\$ 25,000	Claim Preparation Costs per Claim
<b>Network Security and Privacy Liability:</b>	\$ 5,000,000	Hardware Replacement Costs per Claim
	\$ 5,000,000	Network Security Liability Aggregate, including Costs and Expenses
	\$ 5,000,000	Privacy Liability Aggregate, including Costs and Expenses
	\$ 5,000,000	Management Liability Aggregate, including Costs and Expenses
	\$ 5,000,000	Regulatory Fines Aggregate, including Costs and Expenses
<b>Media Liability:</b>	\$ 5,000,000	PCI Fines, Penalties and Assessments Aggregate, including Costs and Expenses
	\$ 5,000,000	Defamation Aggregate, including Costs and Expenses
<b>Court Attendance Costs:</b>	\$ 5,000,000	Intellectual Property Rights Infringement Aggregate, including Costs and Expenses
	\$ 100,000	in the Aggregate (sub-limited to \$2,000 per day)

<b>Endorsements:</b>	Risk Management Timetable Condition Marsh Public Sector Special Amendatory Clause Marsh Canada Special Amendatory Clause Service of Suit Clause		
<b>Continuity Date:</b>	December 31, 2007		
<b>Deductible:</b>	\$	25,000	each Claim for All Losses, except:
	\$	25,000	each Claim, including costs and expenses, for Network Security & Privacy Liability and Media Liability Losses
	\$	25,000	each Claim for System Damage and Rectification Costs Losses
	\$	NIL	each Claim for Incident Response Costs Losses
	\$	NIL	each Claim for Claim Preparation Costs Losses
	\$	NIL	each Claim for Court Attendance Costs Losses
	\$	NIL	each Claim for Post Breach Remediation Costs Losses
<b>Policy Form:</b>	Cyber, Private Enterprise (CAN) v3.0		
<b>Insurer(s) and Proportion of Participations(s):</b>	CFC Underwriting Ltd. – 100%		
<b>Subject To:</b>	1. Satisfactory confirmation that the insured has daily back-ups in place which are tested to ensure they are working, stored at an offsite location and isolated from the main network (prior to binding) 2. Satisfactory confirmation that you are not running any platforms with legacy and/or unsupported operating systems. If yes, please describe what compensating controls you have in place to prevent vulnerabilities within these programs from being exploited in your environment(prior to binding). 3. Terms will remain as indicated subject to no claims deterioration as of December 31, 2021		

**Premium Summary**

<b>Total Annual Premium:</b> (Options Not Included)	<b>\$ 559,913</b> plus any applicable provincial sales tax
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**Municipal Options**

<b>Canadian Council Primary Liability:</b>	To Increase deductible from \$50,000 to \$75,000 - Annual Reduction <b>\$9,600</b> To Increase deductible from \$50,000 to \$100,000 - Annual Reduction <b>\$17,280</b>
<b>Employment Practices Liability:</b>	Limit: \$ Each Claim & Aggregate SIR: \$ Application required in order to quote Insurer: Creechurch International – Beazley Group 100% Amended Other Insurance Clause – QBE Primary Insurer with respect to Wrongful Dismissal Legal Expense Limit \$250,000 Any One Claim & Aggregate During the Policy Period Minimum Retained Premium: 20% of Annual Premium
<b>Out of Province Emergency Medical:</b>	Based on Nine (9) Members – under the age of 80 To increase the Trip Duration from 15 days to 30 days – Annual Additional <b>\$630</b>
<b>Public Entity Recovery Assistance Plan: (Critical Illness)</b>	Based on Six (6) Members – age 69 or less \$10,000 limit – Annual Additional <b>\$372</b> \$15,000 limit – Annual Additional <b>\$702</b>
<b>Volunteer Fire Fighters Accident:</b>	Quotation available upon request
<b>Municipal Volunteers Accident:</b>	To Increase Principal Sum to \$100,000 – Annual Additional <b>\$750</b>
<b>DAS Legal Expense:</b>	DAS Premium Revenue Bands (\$)      Premiums Up to \$1M                      0.052% 1M to 5M                        0.050% 5M to 10M                      0.046% 10M to 20M                    0.043%  If population is applicable: \$0.75 per capita (head of population) per member
<b>Annual Low Risk Liability:</b>	To Add Vendor & Liquor Liability Endorsement – Annual Additional <b>\$2,063</b>

**Acceptance of Municipal Insurance Program Proposal**

To: Marsh Canada Limited  
Public Sector Division  
120 Bremner Boulevard, Suite 800  
Toronto, Ontario Canada M5J 0A8  
Telephone: 416 868 2600

Policy Term (mm/dd/yy): December 31, 2021 to December 31, 2022

We agree with the underwriting and claims information submitted and to the terms quoted in the Municipal Insurance Program proposal. This is your authority to proceed with binding cover(s) as outlined in the Municipal Insurance Proposal effective the date(s) noted above. We have also noted below our choice of any optional items in the Insurance Proposal as well as any specific instructions.

Indicated below are our instructions regarding any optional coverages shown in the insurance proposal.

Optional Coverages / Specific Instructions:

Signed on Behalf of Corporation of the

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Authorized Signature

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Date

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Please print the name of the person signing above

**Implementation of Limit of Liability:**

In no event shall either party be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits arising out of or relating to any services provided by Marsh or its affiliates. The aggregate liability of Marsh, its affiliates and its and their employees to you or your affiliates arising out of or relating to the provision of services by Marsh or its affiliates shall not exceed \$10 million. This provision applies to the fullest extent permitted by applicable law.



### Transparency & Disclosure

The information presented below relates to the quote(s) and/or indications(s) Marsh has received on your behalf and includes:

- (1) The premiums and certain other costs payable by you and
- (2) The compensation payable to Marsh from each insurer, wholesaler or MGA, if applicable.
  1. Fees, taxes and surcharges are not included in the premium figures. If applicable, the premiums may also be subject to audit and retrospective rating.
  2. Insurers indicated below may have provided numerous quote options. All insurer quotes are on file with Marsh and available upon request.

\*ICC = Insurer Consulting Compensation

Line of Cover	Participation %	Insurance Company / Issuing Paper	Intermediary Name	Canadian ICC	Commission Rates	Comments
Casualty / Primary Liability	100%	Lloyd's Underwriters		0%	21.5%	
Umbrella Liability (1st Layer)	100%	Lloyd's Underwriters		0%	21.5%	
Umbrella Liability (2nd Layer)	100%	Lloyd's Underwriters		0%	21.5%	
Property: TIV	70%	Aviva Insurance Company of Canada		Fee	22.5%	
Property: TIV	30%	Zurich Canada		Fee	20%	
Property: Boiler	100%	Aviva Insurance Company of Canada		Fee	22.5%	
Crime Primary	100%	Aviva Insurance Company of Canada		Fee	22.5%	
Automobile	100%	Aviva Insurance Company of Canada		Fee	15%	
Council Accident	100%	AIG Insurance Company of Canada		Fee	15%	
Critical Illness	100%	Sutton Special Risk Inc.		Fee	20%	
Out of Province Medical Coverage	100%	AIG Insurance Company of Canada		Fee	15%	
Volunteers' Accident	100%	AIG Insurance Company of Canada		Fee	15%	
Annual Low Risk Events	100%	Lloyd's Underwriters		Fee	22.5%	
Cyber Liability	100%	CFC Underwriting Ltd.		Fee	27.5%	

### *Marsh Role*

Marsh is serving as your broker in placing your insurance coverage(s) referenced above. Marsh may receive different forms of compensation that relate directly or indirectly to your placements. Since Marsh's compensation may vary depending on the insurance program that you choose, Marsh is providing you with information to help you evaluate potential conflicts of interest. Marsh may be compensated by commissions based on the sale of insurance. Commissions may vary depending on a number of factors, including the insurance purchased and the insurer selected. The commissions that Marsh or its affiliates may collect on the quotes Marsh obtained on your behalf are itemized below.

### *Insurer Consulting Compensation*

Marsh receives separate compensation from insurers for providing consulting, data analytics or other services. The services are designed to improve the offerings available to our clients, assist insurers in identifying new opportunities, and enhance insurers' operational efficiency. The scope and nature of the services vary by insurer and by geography. This compensation can be paid in the form of a fixed fee, a percentage of premium, or a combination of both. It is in addition to and will not be credited against any fee payable to Marsh and will not be subject to any cap on commissions payable to Marsh.

### *Corporate Compensation Other Information*

Marsh & McLennan Companies, Inc. and its subsidiaries have direct and indirect investments in insurance and reinsurance companies and have contractual arrangements with certain insurers and wholesale brokers. For further information regarding the matters discussed below, Marsh income disclosure statement, and premium finance, please visit <http://canada.marsh.com/AboutUs/AboutMarsh/articleType/ArticleView/articleId/4466/Disclosure.aspx>

### *Facilities*

Marsh UK operates facilities with certain insurers that provide insurance capacity, including Quota Share arrangements and Placement Plus facilities. Marsh UK receives flat fee compensation from the insurers for the services it provides them in connection with the establishment and administration of these facilities. These fees are in addition to and not credited against any compensation payable to Marsh by a client. For a list of these facilities and insurers, see: <http://uk.marsh.com/AboutUs/LeadingtheWayinTransparency.aspx>



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120 Bremner Boulevard, Suite 800  
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