

Cost Analysis

	Expiring Program Term	Renewal Program Term
Casualty		
General Liability	\$ 55,989	\$ 58,620
Errors and Omissions Liability	6,820	6,820
Non-Owned Automobile Liability	189	189
Environmental Liability	9,065	9,065
Crime	1,250	1,250
Board Members Accident	434	434
Conflict of Interest	420	420
Legal Expense	1,500	1,500
Property		
Property / Data Processing	74,842	76,130
Equipment Breakdown	7,945	8,024
Automobile		
Owned Automobile	23,395	24,602
Garage Automobile	800	800
Excess		
Follow Form	3,500	2,000
Total Annual Premium	\$ 186,149	\$ 189,854
(Excluding Taxes Payable)		

Crime Coverage Options

Extortion Coverage (Threats to Persons and Threats to Property)

Coverage for both 'Threats to a Person' and 'Threats to Property' are sold together with a separate limit of insurance applying to each.

- **Threats to Person:**
Coverage responds 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 U.S.A.
- **Threats to Property:**
Coverage responds when a threat is communicated to the Insured to do damage to the premises or to property of the Insured is located in Canada or the U.S.A.

Pension or Employee Benefit Plan Coverage

Coverage is for loss resulting directly from a dishonest or fraudulent act committed by a fiduciary (a person who holds a position of trust) in administering a pension or employee benefit plan. Coverage is provided whether the fiduciary is acting alone or in collusion with others. Fiduciary relationships may be created by statute however; individuals may also be deemed fiduciaries under common law.

Residential Trust Fund Coverage *For Select Classes of business only

- Covers loss of property (money, securities or other property) belonging to a resident when it is held in trust by a residential facility. Coverage is for loss directly attributable to fraudulent act(s) committed by an employee of the facility whether the employee was acting alone or in collusion with others.
- A residential facility comprises a wide range of facilities and includes any residential facility operated for the purpose of supervisory, personal or nursing care for residents.
- Coverage stipulates that the 'resident' must be a person who is unable to care for themselves (this could be due to age, infirmity, mental or physical disability).
- When a resident is legally related to the operator of the residential facility coverage is specifically excluded.

Credit Card Coverage

Coverage is for loss from a third party altering or forging a written instruction in connection with a corporate credit card issued to an employee, officer or partner.

Client Coverage (Third Party Bond)

Coverage is extended to provide for theft of a clients' property by an employee (or employees) of the Insured.

Fraudulently Induced Transfer Coverage

Coverage is provided when an Insured under the policy has been intentionally misled by someone claiming to be a vendor, client or another employee of the company and the Insured has transferred, paid or delivered money or securities to this third party.

Fraudulently Induced Transfer Endorsement Coverage Highlights

Overview

Fraud today has become much more sophisticated and complex with Fraudulently Induced Transfer Crimes (otherwise known as Social Engineering) trending in today's marketplace. In response to this trend we now offer a Fraudulently Induced Transfer Endorsement as part of our suite of Crime Coverage.

These types of crimes are usually a targeted approach where criminals are after something definite from the target, either money (usually in the form of a wire transfer) or information (such as a list of vendors, routing numbers, etc.). Often times communications are sent to an employee (most often via email, telephone or a combination of the two), which are doctored to appear as if they are sent by a senior officer of the company or by one of its customers or vendors. Essentially criminals prey on human and procedural vulnerabilities. The standard crime coverage does not respond to these types of losses as an employee of the organization has voluntarily parted with the money or securities and would be considered an active participant in the loss.

Example 1

Instructions to an employee supposedly coming from a vendor or customer are often accomplished by informing the employee that they have changed banks and require the company to use the new banking information for future payments.

Example 2

Instructions to an employee supposedly coming from an internal source (e.g. senior staff) to bypass in-house safeguards and redundancies, criminals apply pressure by imposing a time constraint, demanding secrecy or simply flattering the ego of the target by including him or her "in" on an important business transaction.

Fraudulently Induced Transfer coverage is an optional endorsement that may be purchased. Coverage is subject to a satisfactory supplementary application being completed.

Fraudulently Induced Transfer Losses, Cyber Losses and Current Crime Policies

Even though this fraud often involves emails and wire transfers, cyber policies are not designed to cover them:

- Cyber policies cover losses that result from unauthorized data breaches or system failures. Fraudulently Induced Transfer actually depends on these systems working correctly in order to communicate with an organization's employees and transfer information or funds.
- Crime policies cover losses that result from theft, fraud or deception. As the underlying cause of a loss is 'fraud', a company would claim a loss under its crime policy rather than its cyber policy. Without this endorsement, coverage would be denied under a crime policy due to the Voluntary Parting Exclusion.

Fraudulently Induced Transfer Endorsement Features

- Coverage is provided when an Insured under the policy has been intentionally misled by someone claiming to be a vendor, client or another employee of the company and the Insured (employee) has transferred, paid or delivered money or securities to this third party.
- Fraudulently Induced Transfer is defined as: The intentional misleading of an employee, through misrepresentation of a material fact which is relied upon by an employee, believing it to be genuine to voluntarily transfer funds or valuable information to an unintended third party.

Limits and Deductible

The Fraudulently Induced Transfer Endorsement is subject to:

- Separate Limits of Insurance (both an Occurrence and Aggregate);
- A separate deductible;
- Limits ranging from \$10,000 - \$100,000.

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. While coverage may be quoted, once a policy is issued coverage is only applicable if shown on Declaration Page or Schedule of Coverage.

Critical Illness Coverage Highlights

Features

- \$10,000 Coverage (each applicant)
- Coverage up to 75 years of age
- No Deductible
- No Medical Examination Required (one page application only)

Critical Illnesses Covered

Heart Attack (Myocardial Infarction)	Heart Valve Replacement
Coronary Artery Bypass Surgery	Benign Brain Tumor
Stroke	Alzheimer's Disease
Cancer	Third Degree Burns
Kidney Failure	Coma
Major Organ Transplant	Blindness
Multiple Sclerosis	Deafness
Paralysis	Loss of Speech
Aorta Graft Surgery	Motor Neuron Disease
Parkinson's Disease	

Exclusions typical to Critical Illness Policies

- War or while in the armed forces.
- Suicide, attempted suicide or self-inflicted injuries.
- AIDS (Acquired Immune Deficiency Syndrome) and/or infection with HIV (Human Immunodeficiency virus).
- Extreme Sports (e.g. scuba diving, parachuting, hang gliding, rodeo events).
- Negligence or non-compliance in seeking and/or following reasonable medical treatment.
- While under the influence of alcohol or drugs.
- Illnesses as a result of pregnancy.

Policy Limitations

- Coverage for pre-existing conditions expressly excluded.
- Critical Illness benefit is only payable once regardless of the number of critical illnesses an Insured claims.
- When a Critical Illness benefit is paid to an Insured Person, they are no longer insurable and coverage ceases.

* Coverage is subject to a satisfactory application and underwriting approval for each Applicant

Additional Information

- Coverage is only available when Board Members' Accidental Death and Dismemberment Coverage is purchased.

Applicant Approval

- Coverage is subject to a satisfactory application and underwriting approval for each Applicant.

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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.

The Privacy Liability coverage section will now automatically extend coverage to a 'Service Provider' and/or under a 'Shared Network Arrangement'. We also offer an optional endorsement which will extend coverage to Crisis Management Costs.

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.

- Failure to protect against unauthorized access to; unauthorized use of, or denial of services attack.

Privacy Liability Coverage.

- Consists of various components such as: Privacy Liability, Privacy Notification Costs and Regulatory Proceedings Coverage.
 - Privacy Liability
 - Provides coverage for your liability when you fail to safeguard personal information you have been entrusted with.
 - Privacy Notification Costs
 - Notification costs and credit monitoring after a breach.
 - Regulatory Proceedings Coverage
 - Covers fines and penalties.

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 to your own system (e.g. public relations costs).

Business Interruption

- Covers the reduction in business income during the period of restoration after compromise to your own system.

Limits and Deductibles

Limits

- A range of limits available up to \$5 million (sub limits apply to first party coverage).
- 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.

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Facility User Solution Coverage

Overview

The Frank Cowan Company Facility User Solution provides you (the facility owner) with the knowledge that the person(s) renting or leasing your facilities have insurance for events they are hosting. You also have peace of mind knowing they have added you (the facility owner) as an 'additional insured' to that insurance. As an 'additional insured' your interests are covered when a claim occurs as a result of negligence by someone renting or leasing the facilities. With the Frank Cowan Company Limited Facility User Solution we automatically cover a variety of 'Sporting' and 'Non Sporting Events.'

Features

We provide coverage on one master policy with:

- The option of insuring all of your rented or leased facilities or only selected facilities.
- The option of \$2,000,000 or \$5,000,000 liability limits for all users.
- Coverage under a commercial general liability form with extensions for Tenants Legal Liability, Medical Expenses and Non Owned Automobile Coverage.
- Coverage is written on a Reporting Basis – with a deposit premium at inception and premium being adjusted annually.

Activities or Events Insured

Approved Activities include the following Non Sporting and Sporting Events:

Non Sporting Events

Anniversaries, arts, art shows and exhibits, auctions, banquets, bazaars, birthday parties, bridge, chess clubs, crafts, dance parties, dance recitals, dinners, engagement parties (e.g. Jack and Jill events), fashion shows, graduations, music recitals or other family celebrations (e.g. christenings, showers, graduations etc.), photo shoots, picnics, religious services, retirement parties, reunions, seasonal markets, seminars, speakers, talent shows, theatre performances, weddings or other ceremonies, workshops/classroom instruction.

Sporting Events

Badminton, baton twirling, bowling, curling, dance lessons, horseshoes, lawn bowling, public skating, shuffle board, table tennis, tai chi, tennis, ball/roller/floor hockey, baseball, basketball, broomball, cheer leading, cricket, dodge ball, dry land training, field hockey, figure skating, fitness classes, frisbee, handball, non-contact sports (martial arts, pick up hockey, pick up lacrosse, touch/flag football), pickle ball, racquet ball, ringette, slo-pitch, soccer, softball, squash, swimming with life guard, synchronized swim, t-ball, track & field, volleyball and yoga.

Excluded Activities

Alpine skiing, bachelorette/stagette parties, bike racing, boxing, climbing walls, contact sports, cycling, fireworks, gymnastics, horse related, kabaddi, kayaking, kickboxing, motor vehicle activities, rugby, skateboarding, snowboarding, stag/bachelor parties, tackle football or wrestling. While we do provide coverage under the program for sporting activities we do not provide coverage for Organized Sports Teams/Leagues.

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