



SPECIAL COUNCIL MEETING AGENDA
Held on Thursday, July 17, 2025, at 10:30 AM
Teleconference and Virtual ONLY

Teleconference Toll Free Number – 1-833-311-4101
Access Code: 2864 070 7791

Video Conference Link: [Click Here](#)
Access Code: 2864 070 7791

1.	Call Meeting to Order
2.	Disclosure of Pecuniary Interest & General Nature Thereof
3.	Public Questions/Comments
4.	Staff Report
	John Morrison, Treasurer
	Council-FIN-2025-17 – Municipal Insurance Policy – July 29 th , 2025 to July 29 th , 2026
5.	Questions from the Media
6.	Confirmation By-law
	By-law No. 2025-064 – Confirm the proceedings of Council for the Special Meeting held on Thursday, July 17, 2025 (3 Readings)
7.	Next Meeting: Regular Council – Tuesday, August 12, 2025 at 5:00 PM
8.	Adjournment

The Town invites and encourages people with disabilities to attend and voice their comments in relation to accessibility related reports. For those who are unable to attend, the Town encourages the use of the Customer Feedback Form found on the Accessibility Page on the Town's website.



Council Report – FIN-2025-17

Date: July 17, 2025 ☐ **IN CAMERA**

Subject: Municipal Insurance Policy – July 29th, 2025 to July 29th, 2026

Author: John Morrison, Treasurer ☒ **OPEN SESSION**

RECOMMENDATION:

BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE DIRECTS STAFF TO PROCEED WITH OPTION #___, FOR ADDITIONAL CYBER COVERAGE AND BOUND WITH THE TOWN'S MUNICIPAL INSURANCE PACKAGE, AS PRESENTED IN REPORT COUNCIL FIN-2025-17.

RECOMMENDATION:

BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2025-065, BEING A BY-LAW TO AUTHORIZE THE MAYOR AND CLERK TO SIGN AN AGREEMENT WITH INTACT PUBLIC ENTITIES INC AND HALPENNY INSURANCE FOR THE PROVISION OF THE TOWN OF GANANOQUE'S 2025 INSURANCE POLICY, AS PRESENTED IN COUNCIL REPORT FIN-2025-17

STRATEGIC PLAN COMMENTS:

Sector 3 – Financial Sustainability – Strategic Initiative #1 – Ensure that Gananoque is and remains an affordable place to do business and raise a family.

BACKGROUND:

This report will convey to Council, Intact Public Entities insurance proposal for the policy period July 29th, 2025, to July 29th, 2026.

INFORMATION/DISCUSSION:

For the 2025 to 2026 insurance term, staff was able to secure 3 competitive bids

	Marsh Canada	Intact Public Entities	Aon
Municipal General Liability	\$209,336	\$138,700	\$149,900
Umbrella Liability (1 st Layer)	\$5,747	\$3,397	\$55,400
Umbrella Liability (2 nd Layer)	\$2,760	\$3,000	
Property	\$172,895	\$137,842	\$133,284
Crime	\$22,476	\$8,549	\$5,000
Boiler & Machinery	\$900	\$2,050	\$7,997
Automobile	\$33,490	\$76,445	\$40,696
Council Accident	\$672	\$469	\$366
Cyber Liability			\$5,100
Infectious Disease Liability			\$3,650
Environmental Impairment			\$10,219
Service Fee			\$45,000
Total Premium	\$448,276	\$395,871	\$436,144

Marsh Canda is the current Insurance provider. Their fees for the 2024-2025 term were, excluding PST, \$448,744.

The Marsh offer:

General Liability

Two-Year Long-Term Agreement (Year 2: Flat) * Primary Only

Increase Deductible to \$25,000 – Savings of \$30,000

Increase Deductible to \$50,000 – Savings of \$60,000

Property

Increase Deductible to \$50,000 – Savings of \$25,057

Legal Expense – ARAG

Add Legal Expense - \$1,000,000 Annual Aggregate – Additional Premium \$8,458

The coverage provided in the Marsh proposal is not as robust as the Intact Public Entities offer.

The Aon proposal though competitive in a number of areas, was unable to provide flood coverage for 110 Kate Street, 115 Water Street and 200 St Lawrence Street. The closed-market structure of Municipal Insurance in Ontario limited their ability to find coverage. Given the lack of coverage, Staff would not recommend this insurance provider.

The Intact Public Entities offer is at the lowest price, with better coverage and lower deductibles. The Halpenny executive summary attached to this report outlines and compares the Marsh Canada Proposal vs IPE

Key Differences - Program Overview

Coverage	Marsh Canada	Intact Public Entities	Aon
Municipal Liability	\$50,000,000	\$50,000,000	\$45,000,000
Property	\$115,199,565	\$116,158,660	\$112,699,565
Auto Primary	\$5,000,000	\$15,000,000	\$5,000,000

Uninsured Exposure – Cyber

Currently the Town of Gananoque has limited cyber insurance coverage with Arctic Wolf whose software detects and quickly responds to advance threats. Arctic Wolf also engages and prepares employees to recognize and neutralize social engineering attacks

Our Insurance Broker has sought quotes for Cyber Insurance that can be bound with either Marsh or the IPE programs.

Limit / Deductible	Premium
\$1,000,000 / \$5,000	\$7,505
\$2,000,000 / \$5,000	\$10,330
\$3,000,000 / \$5,000	\$13,145
\$5,000,000 / \$5,000	\$19,325

There is no Aggregate limit on \$1M, \$2M or \$3M options. Staff is seeking Council direction on the following options regarding Cyber Insurance:

Option 1: Provide no additional coverage.

Option 2: Insure for a \$1M dollar limit.

Option 3: Insure for a \$2M dollar limit

Option 4: Insure for a \$3M dollar limit

APPLICABLE POLICY/LEGISLATION:

Procurement By-law No. 2015-087.

FINANCIAL CONSIDERATIONS/GRANT OPPORTUNITIES:

Staff recommends. that the Mayor and Clerk sign an Agreement with Intact Public Entities for the Town's Insurance needs for 2025. The total cost is \$395,871.

Approximately 5 months of this premium amount will be expensed into 2025. Given that 2024-2025 premiums prepaid \$281,250 for 2025, the total insurance expense for 2025 is estimated to be approximately \$446,196. The 2025 budget for insurance is \$546,528. By adopting the Intact Public Entities Insurance proposal, there is potential budget savings of \$100,342.

CONSULTATIONS:

Matthew White, Halpenny Insurance

ATTACHMENTS:

1. Intact Public Entities Inc. 2025 Municipal Insurance Program
2. Intact Public Entities Proposal letter
3. Halpenny Executive Summary

APPROVAL	<div data-bbox="315 1549 928 1591">_____ John Morrison, Treasurer</div> <div data-bbox="315 1600 1380 1690">Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions are in compliance with Council's own policies and guidelines and the <i>Municipal Act</i> and regulations.</div> <div data-bbox="315 1759 938 1801">_____ Melanie Kirkby, CAO</div>
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2025 Municipal Insurance Program

CORPORATION OF THE TOWN OF GANANOQUE

Quotation for the Policy Term July 29, 2025 to July 29, 2026

In Partnership with:
Matthew White BBA, CIP, CRM
Halpenny Insurance Brokers Ltd.
55 Metcalfe Street, Suite 860
Ottawa ON, K1P 6L5

Submitted by: Intact Public Entities Inc.
Address: 278 Pinebush Rd., Suite 200
Cambridge, ON N1T 1Z6

phone: 1-800-265-4000
email: connectwithus@intactpublicentities.ca

Prepared by:
Darryll Massiah, CRM, RIBO
Account Manager

Ref 16 June 2025
26350/kl

How to Report a Claim

Steps you need to take to report a claim:

1. During business hours please **call your broker** (if applicable) or **IPE** at 1-800-265-4000 or email at mail.claims@intactpublicentities.ca.
2. For **legal expense claims** please call **ARAG** at 1-855-953-1434.
3. For **automobile claims** please call IPE at 1-800-265-4000 or email at mail.claims@intactpublicentities.ca.
4. For **cyber incidents** please carefully review your cyber policy to identify the Subscribing Partner and their corresponding claims contact information.
5. **After hours**, please call 1-866-287-4971.

Property Damage

Have you experienced property damage from a storm, flood, or fire? Have you found mould or asbestos? Call **On Side Restoration**, the IPE preferred vendor for your property restoration needs.

ON SIDE
RESTORATION.

in
partnership
with

[intact] public
entities

FIRE | WATER | STORM | MOULD | ASBESTOS

On Side Restoration is Canada's leading property restoration firm with 45+ branches, from Victoria, BC to St. John's Newfoundland and Labrador. For over 45 years, On Side has been restoring damaged homes and businesses 24-hours a day, 365 days a year.

CALL US DAY OR NIGHT



1-888-663-6604



contactus@onside.ca



www.onside.ca



Update Your Records

Paying Your IPE Insurance Policy

1. If paying electronically, update your payables system if necessary to reflect **IPE as a payee**. Information on adding IPE as a payee can be found with your monthly statement.
2. **Look for IPE**, not Intact Insurance in your payables system – we are separate companies.
3. IPE is a subsidiary of Intact Financial Corporation. Please continue to **submit payment to us** without amalgamating any payments to Intact Insurance.
4. **We have our own payment terms and methods** that may be different than Intact Insurance. We cannot transfer payments between companies if misapplied. Amalgamating payments may result in the accrual of late fees on your account.
5. **Please see your policy for IPE's banking information.**
6. For all **finance inquiries** please email finance@intactpublicentities.ca.

About IPE

IPE is a Canadian leader in providing specialized insurance programs, including risk management and claims services to municipal, public administration and community-based organizations across Canada. Proven industry knowledge, gained through over nine decades of partnering with insurance companies and independent brokers, gives IPE the ability to effectively manage the necessary risk, advisory and claims services for both standard and complex issues. IPE is a wholly-owned subsidiary of Intact Financial Corporation with its head office located in Cambridge, Ontario. For additional information about IPE visit www.intactpublicentities.ca.

IPE is a Managing General Agent (MGA) with the authority to write and service business on behalf of strategic partners who share our commitment and dedication to protecting specialized organizations. Because our partners are long-term participants on our program, they understand the nature of fluctuating market conditions and complex claims and are prepared to stay the course.

IPE is a licence-holder through the Registered Insurance Brokers of Ontario (RIBO) and in multiple jurisdictions across Canada, and as such we are required to disclose our professional duties and obligations to you as a current or potential client. Learn about our principles of conduct, how we are compensated by the insurers we represent, and see our privacy policy by reviewing the following:

[Code of Consumer Rights and Responsibilities](#)

[CISRO Code of Conduct for Insurance Intermediaries and Fact Sheet – About Your Registered Insurance Broker](#)

[Broker Compensation Disclosure](#)

[Our Privacy Promise](#)

Canadian Owned Company With 90+ Years of Continuous Operation

Market Leader

Municipal, Public Administration & Community Services

Municipal market share leader in Ontario with strong representation of municipal, public administration and community-based organizations across Canada.

Innovative

New Products & Services

Cyber Risk Insurance
Fraudulently Induced Transfer
Road Reviews
Fleet Management

In-House

Claims & Risk Management

In-house claims management = faster turn around, single point of contact, specialized expertise in the municipal claims environment.



**Municipal Market Share
Leader in Ontario**



**First Municipal Client
The Village of Ayr, Ontario**

The Advantage of a Managing General Agent

The MGA model is different than a traditional broker/insurer arrangement in that an MGA provides specialized expertise in a specific, niche area of business. As an MGA we also offer clients additional and helpful services in the area of risk management, claims and underwriting. And unlike the reciprocal model, a policy issued by an MGA is a full risk transfer vehicle not subject to retroactive assessments but rather a fixed term and premium.

We invite you to work with a partner who is focused on providing a complete insurance program specific to your organization that includes complimentary value added services that help drive down the cost of claims and innovative first to market products and enhancements. You will receive personalized service and expertise from a full-service, local and in-house team of risk management, claims, marketing and underwriting professionals.

As a trusted business partner, we believe in participating in and advocating for the causes that affect our clients. For this reason, we affiliate with and support key provincial and national associations. In order for IPE to be effective in serving you, we, as an MGA, believe in fully understanding your needs, concerns and direction. Our support is delivered through thought leadership, financial resources, advocacy, services, education and more.

Risk Management Services

We are the leader in specialized risk management and place emphasis on helping your organization develop a solid plan to minimize exposure before potential incidents occur. Risk management is built into our offerings for all clients, fully integrated into every insurance program. Our risk management team is comprised of analysts, inspectors and engineers who use their expertise to help mitigate risk. We do everything we can to minimize your exposure before potential incidents occur. This includes providing education, road reviews, fleet reviews, contract analysis and property inspections.

Claims Management Services

Our in-house team of experts has the depth of knowledge, experience and commitment to manage the complicated details of claims that your organization may experience. You deal with the public often in sensitive instances where serious accusations can be made. Your claims are often long-tail in nature and can take years to settle. Some claims aren't filed until years after the occurrence or accident. You want a team of professionals on your side that will vigorously defend your reputation. We understand your risks and your exposures and have maintained a long-term commitment to understanding the complex issues your organization may face so that we can better service your unique claims requirements.



**MGA
Advantage**



**Risk Management
Services**



**Claims Management
Services**

*Please note that the information contained in this document is proprietary and confidential and is to be used for the sole purpose of determining the successful proponent. Permission must be obtained from Intact Public Entities prior to the release of any information contained herein for any other purpose than evaluating this submission.

Best in Class Value Added Services

IPE offers more than just an insurance policy. As a leading MGA specializing in public entities, we provide Canadian municipalities with a complete insurance program. What's the difference? A vested interest in helping you reduce your total cost of risk while providing you with complimentary best in class value-added services that help improve your overall performance.

Advocacy & Municipal Association Support

IPE employees are continually recruited to serve on legislative committees and are aware of changes that will be introduced. We can move quickly to help you begin to modify your policies and procedures to maintain regulatory compliance.

IPE advocates and supports your public entities across the country.



Risk Management

Asset Valuation and Risk Inspections

Inspections provide you with calculated reconstruction costs for insurance purposes and ensure insurance to value. Inspections also analyze potential areas of harm and provide risk recommendations to reduce the frequency and severity of incidents.

Roads & Sidewalks

Road Risk Assessment

Non-repair of road liability claims are costly to defend, result in high court awards and greatly impact a municipality's cost of risk. To help municipalities minimize exposure to non-repair of road claims, road assessments can be employed to review documentation, compliance with the Ontario Traffic Manual, adequacy of policies and procedures and select road segments.

Sidewalk Services

Our sidewalk consulting services can help to reduce the frequency of falls on your sidewalks.

Driver Education

Fleets and individual drivers can receive comprehensive driver education through the use of seminars, tools and guidelines that assist with everything from pre-employment checklists and driver management policies to defensive and cooperative driving education.

Fleet Management Evaluation

Have your municipality's fleet risk management practices evaluated. Topics for review include: management structure with the fleet, areas of operation/travel, driver training/hiring practices and loss control management.

MMS Compliance

Our Minimum Maintenance Standards (MMS) compliance analysis focuses on reviewing your policies/procedures/ documentation and comparing these to the required standards set under the MMS as well as the best practices developed by the Ontario Good Roads Association

Municipal Education

We develop and provide customized sessions on specific risk issues for your municipality. These customized sessions can be tied to a claims review, documentation review, policy & procedure review or any risk issue facing your municipality.

We provide training on any topic of your choosing and can be offered either in-person or virtually. The sessions will be developed and delivered by specialists in the field and are recorded and made available to you so your managers can use them at any time to train new staff or as a refresher for existing staff.

Reviews & Analysis

Contract Reviews

This complimentary service is among our most popular because a third-party contract review can make a substantial difference. You'll receive valuable feedback and insight from a Paralegal on the suitability and effectiveness of liability provisions and insurance clauses in contracts and agreements.

Policy and Procedural Reviews

Includes an audit of systems and processes to reduce potential losses within your organization. Reviews focus on identifying gaps or inconsistencies between written policies and procedures, operational procedures and current legislation. The review also includes a claims analysis to identify trends, patterns and adherence or its lack of to the written operational policies and procedures.

Risk Management Centre of Excellence

The IPE [Risk Management Centre of Excellence](#) is an online resource that provides clients with the information and tools needed to manage a myriad of risk issues. The Centre of Excellence is the hub for articles, information, case studies, and useful templates that can transform your municipality's risk management results. The Centre of Excellence is available 24/7 and is continually updated with timely and relevant content.

Claims Services

Claims Management Best Practices Framework

Manage claims under your deductible with greater efficiency using our tested claims analytics and measures that are guaranteed to have a positive effect on cost savings. Couple this with strong claims and risk management and your organization will be better prepared to help mitigate and manage future incidents.

In-House Claims Management Services

Your claims will be handled better. We have in-house claims authority – others may not. Why does this matter? You'll experience faster turnaround, one point of contact, reduced frustration, better claims resolution and improved expense management.

Claims History Analysis

Identify the cause of claims and focus on trends and patterns to help eliminate risk sources so as to better identify risk trends and address them with mitigation techniques.

Guidewire ClaimCenter® Claims Management

View the status of claims in addition to data mining capabilities for risk management purposes so as to better identify risk trends and address them with mitigation techniques.

Claims Education

Customized municipal seminars on claims related topics delivered to solve specific risk issues.

Expertise

Canadian municipal claims experience and expertise is important. Our understanding of the complex municipal landscape allows us to better service your unique claims requirements.

Your Insurance Coverage

Important Information

General Information

The premium quoted is based on information provided at the date of this Report (the date is noted on the first page of this report/quotation). Additional changes to information are subject to satisfactory underwriting information and express approval by Intact Public Entities Inc. Changes in information and coverage may also result in premium changes.

For full details with respect to coverage, exclusions, conditions and limitations refer to the policy wordings.

Wildfire and Flood Exposures

Due to the high risk of wildfires and active floods, Intact Public Entities Inc. is taking a very conservative approach to such exposures/natural disasters. We are currently reviewing all risks to determine if any part of a risk is within 50km of an active wildfire or 15km of an active flood event.

Quoting and Binding Coverage Restrictions

The quote provided is only valid for 60 days. Should you require an extension beyond the 60 days from the date of this report, you must contact an underwriter at Intact Public Entities Inc. for written confirmation that the quotation is still valid.

Coverage quoted cannot be bound unless expressly agreed to in writing by an underwriter at Intact Public Entities. Intact Public Entities Inc. reserves the right to decline to bind coverage.

Your marketing representative can assist in co-ordinating your correspondence with the correct underwriter for the account should you wish a quotation extension or are requesting coverage be bound.

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>	10,000	15,000,000 Per Occurrence No Aggregate
Voluntary Medical Payments	Nil	50,000 Per Person 50,000 Per Accident
Voluntary Property Damage	Nil	50,000 Per Occurrence 50,000 Annual Aggregate
Voluntary Compensation - Employees	Nil	50,000 Each Person 250,000 Annual Aggregate
Sewer Backup	10,000 Per Claimant	
Wrongful Dismissal (Legal Expense – Claims Made)	5,000	250,000 Per Claim 250,000 Aggregate
Forest Fire Expense	Nil	1,000,000 1,000,000 Aggregate
Abuse Liability – Claims Made Form Retroactive Date: July 29, 2025	10,000	2,000,000 Per Claim 2,000,000 Aggregate
Errors & Omissions Liability (Claims Made Form)	10,000	15,000,000 Per Claim No Aggregate
Non-Owned Automobile Liability		15,000,000
Legal Liability for Damage to Hired Automobiles	1,000	250,000
Environmental Liability (Claims Made Form)	10,000	5,000,000 Per Claim 5,000,000 Aggregate
<i>*Coverage is excluded for the closed Landfill at 665 Charles Street</i>		

*Your deductible may be a Deductible and Reimbursement Clause (including expenses) refer to Policy Wordings

Schedule of Coverage

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

Follow Form – Excess Liability – 1st layer

(\$)
Limit of Insurance

Coverage Description	
Excess Limit	10,000,000
Underlying Policy	(\$) Underlying Limit
General Liability	15,000,000
Abuse Exclusion Applies	
Errors & Omissions Liability	15,000,000
Non-Owned Automobile	15,000,000
Owned Automobile	15,000,000

Follow Form – Excess Liability – 2nd layer

(\$)
Limit of Insurance

Excess Limit	25,000,000	Occurrence
Underlying Policy	(\$) Underlying Limit	
General Liability	25,000,000	
Abuse Exclusion Applies		
Errors & Omissions Liability	25,000,000	
Non-Owned Automobile	25,000,000	
Owned Automobile	25,000,000	

*Subject to Minimum Retained

Total Limit of Liability (\$) **50,000,000**

Crime

Coverage Description	(\$) Deductibles	(\$) Limit of Insurance
Employee Dishonesty – Form A (Commercial Blanket Bond)		1,000,000
Loss Inside the Premises (Broad Form Money & Securities)		200,000
Loss Outside the Premises (Broad Form Money & Securities)		200,000
Audit Expense		200,000
Money Orders and Counterfeit Paper Currency		200,000
Forgery or Alteration (Depositors Forgery)		1,000,000
Computer and Transfer Fraud (Including Voice Computer Toll Fraud)		200,000

Schedule of Coverage

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

Accident

Coverage Description	(\$) Deductibles	(\$) Limit of Insurance
Board Members: Persons Insured		
Mayor and Six (6) Councillors		
Board Members Accidental Death & Dismemberment		250,000
Paralysis		500,000
Weekly Income – Total Disability		500
Weekly Income – Partial Disability		300
Accidental Death of a Spouse while Travelling on Business		Included

Conflict of Interest

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

Legal Expense (Claims Made)

Coverage Description	(\$) Deductibles	(\$) Limit of Insurance
Legal Defence Cost		100,000 500,000 Aggregate

Schedule of Coverage

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

Property

Coverage is on an All Risk Basis unless otherwise specified. Basis of Settlement is Replacement Cost unless otherwise specified. The Deductible is on a Per Occurrence Basis.

Coverage Description	(\$) Deductibles	Basis	(\$) Limit of Insurance
Property of Every Description - Blanket	10,000	RC	96,709,380
Scheduled Items			
Coverage, Deductible and Basis of Settlement as per Schedule	Refer to Schedule		14,870,700
Property Supplemental Coverage (Included in the Total Sum Insured unless otherwise specified in the wording)			
Building By-laws	10,000		10,000,000
Building Damage by theft	10,000		Included
Debris Removal	10,000		Included
Electronic Computer Systems			
Electronic Computer Hardware and Media	10,000		Included
Electronic Computer Systems Breakdown			Not Insured
Electronic Computer Systems – Extra Expense			Not Insured
Extra Expense Period of Restoration	10,000		90 Days
Expediting Expense	10,000		Included
Fire or Police Department Service Charges	10,000		Included
First Party Pollution Clean-up	10,000		1,500,000
Fungi and Spores	10,000		10,000
Furs, Jewellery and Ceremonial Regalia			
Ceremonial Regalia	10,000		Included
Furs and Jewellery	10,000		25,000
Inflation Adjustment	10,000		Included
Live Animals Birds or Fish	10,000		25,000
Newly Acquired Property	10,000		1,000,000
Professional Fees	10,000		Included
Property and Unnamed Locations	10,000		Included
Property Temporarily Removed Including while on Exhibition and during Transit	10,000		Included

Recharge of Fire Protection Equipment Expense	10,000	Included
Sewer Backup and Overflow	10,000	Included
Municipal & Public Administration Extension Endorsement (In Addition to the Total Sum Insured unless specifically scheduled in the wording)		
Accounts Receivable	10,000	500,000
Bridges and Culverts	10,000	50,000
Buildings Owned due to Non Payment of Municipal Taxes	10,000	100,000
Buildings in the Course of Construction Reporting Extension	10,000	1,000,000
By Laws – Governing Acts	10,000	25,000
Consequential Loss Caused by Interruption of Services		
On Premises	10,000	Included
Off Premises	10,000	1,000,000
Cost to Attract Volunteers Following a Loss	10,000	10,000
Docks, Wharves and Piers	10,000	100,000
Errors and Omissions	10,000	Included
Exterior Paved Surfaces	10,000	50,000
Extra Expense	10,000	500,000
Fine Arts		
At Insured's Own Premises	10,000	25,000
On Exhibition	10,000	100,000
Fundraising Expenses	10,000	10,000
Green Extension	10,000	50,000
Growing Plants		
Any One Item	10,000	1,000
Per Occurrence	10,000	100,000
Ingress and Egress	10,000	Included
Leasehold Interest	10,000	25,000
Master Key	10,000	25,000
Peak Season Increase	10,000	25,000
Personal Effects	10,000	25,000
Property of Others	10,000	25,000
Rewards: Arson, Burglary Robbery and Vandalism	10,000	25,000
Signs	10,000	Included

Vacant Property	10,000	1,000,000
Valuable Papers	10,000	500,000
Business Interruption		
Rent or Rental Value	10,000	500,000
Gross Revenue	10,000	540,800
Additional Endorsements		
Virus and Bacteria Exclusion	Not Applicable	Included
Earthquake Coverage		
Earthquake Coverage	3% Minimum \$100,000	Included
Notes Applicable to Earthquake Coverage		
<ol style="list-style-type: none"> 1. Earthquake coverage applies to: all property insured unless it is specifically excluded. Specifically excluded property will be shown under Changes to Your Insurance Program – Property in this Report. 2. Deductible is applicable to each premises. 		
Earthquake Aggregate – Applicable to All Provinces		"Total Sum Insured" and "all coverages" as declared to the Insurer at the time of the "earthquake".
Flood Coverage		
Flood Coverage	\$ 100,000	Included
Notes Applicable to Flood Coverage		
<ol style="list-style-type: none"> 1. Flood coverage applies to: all property insured unless it is specifically excluded. Specifically excluded property will be shown under Changes to Your Insurance Program – Property in this Report. 2. Deductible is applicable to each premises. 		
Flood Aggregate – Applicable to All Provinces		"Total Sum Insured" and "all coverages" as declared to the Insurer at the time of the "flood".
Other Endorsements		
Fine Arts	10,000	1,261,700
Watercraft	25,000	106,080

(\$) Total Amount of Insurance 116,158,660

RC = Replacement Cost ACV = Actual Cash Value VAL = Valued

Schedule of Coverage

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

Equipment Breakdown (Advantage/BM31)

Coverage Description	(\$) Deductibles / Waiting Period	(\$) Limit of Insurance
Direct Damage	10,000	50,000,000 Per Accident
Extra Expense	24 Hours	500,000
Consequential Damage	2,500	50,000
Expediting Expense		Included
Hazardous Substances		500,000
Ammonia Contamination		500,000
Water Damage		500,000
Professional Fees		500,000
Interruption by Civil Authority		30 days
Errors and Omissions		500,000
Loss of Data		100,000
Selling Price		Included
By-Law Cover		Included
Off Premises Mobile Object		25,000
Brands and Labels		250,000
Environmental "Green" Coverage		250,000
Service Interruption		Included Within 2500 metres
Contingent Business Interruption	24 Hours	25,000
Public Relations Coverage		10,000
Loss of Profits	24 Hours	540,800
Gross Rents	24 Hours	500,000

Schedule of Coverage

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

Owned Automobile

Coverage Description	(\$) Deductibles	(\$) Limit of Insurance
Liability		
Bodily Injury		15,000,000
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	10,000	Included
Endorsements		
Fire Department Vehicles		Included
Replacement Cost		Included
#5 - Permission to Rent or Lease Automobiles and Extending Coverage to Specified Lessee(s)		Included
#20 - Coverage for Transportation Endorsement		1,500/Occ
#44R - Family Protection Coverage		2,000,000

* This policy contains a partial payment of loss clause.

A deductible applies for each claim except as stated in your policy.

Account Premium

Total Annual Premium (Excluding Taxes Payable)	\$ 395,871
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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 (unless otherwise stated).

Cost Analysis

	Proposed Program	
	Term	
<hr/>		
Casualty		
General Liability	\$	138,700
Errors and Omissions Liability		12,767
Non-Owned Automobile Liability		200
Environmental Liability		10,607
Crime		2,050
Board Members Accident		469
Conflict of Interest		720
Legal Expense		1,125
Property		
Property		137,842
Equipment Breakdown		8,549
Automobile		
Owned Automobile		76,445
Excess		
Follow Form – 1 st layer		3,397
Follow Form – 2 nd layer		3,000
Total Annual Premium	\$	395,871
(Excluding Taxes Payable)		

Program Options

Intact Public Entities offers a comprehensive insurance program. Outlined below are the program options, followed by your current coverage highlights.

Crime Coverage – Other Optional Coverages

- Other Optional Coverages are also available. See attached Crime Cover Options page for further details.
- Quote is available on request (completed application is required).

Crime Coverage – Fraudulently Induced Transfer Coverage

- Fraudulently Induced Transfer Coverage is now available. Covers a loss 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.
- For coverage information and available options refer to the Fraudulently Induced Transfer Endorsement Coverage Highlights Sheet.

Property – Docks

- The Docks are Scheduled with Actual Cash Value as settlement basis, this can be reviewed after an inspection has been conducted.

Property Coverage – Income Replacement

- Income can change from year to year so it is important to annually review your Business Interruption needs.
- Higher limits or Optional Coverages to protect your income are available.
- All income producing facilities need to be considered (e.g. arenas, pools, libraries, community halls etc.)

Equipment Breakdown – Higher Deductible

- A higher deductible of \$ 25,00 is available for a premium savings of \$1,559.
- An Actual Cash Value Endorsement has been added for any equipment older than 25 years of age. Once we have our inspections completed this Endorsement will be removed.

Remotely Piloted Aircraft Systems (UAV) Coverage

- Property and/or Liability Cover may be available for Remotely Piloted Aircrafts (UAV).
- Application required to quote.
- For Coverage information refer to the Remotely Piloted Aircraft (UAV) Highlight Sheet.

Automobile Policy

The Following Endorsements are available if exposure exists:

- OPCF 4A - Permission to Carry Explosives
- OPCF 31 - Non - Owned Equipment
- OPCF 32 - Use of Recreational Vehicle by Unlicensed Operators
- OPCF 43 - Removing Depreciation Deduction



Description of Coverage

IPE offers a Comprehensive Insurance Program to meet your needs.

"Your Insurance Coverage" provides a schedule of proposed coverages, limits and deductibles included in this proposal.

Highlights of coverage follow, providing a summary of coverage. Highlight pages may include a description of optional coverages.

The information provided by Intact Public Entities Inc. is intended to provide general information 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. Intact Design® is a registered trademark of Intact Financial Corporation. All other trademarks are properties of their respective owners. TM & © 2025 Intact Public Entities Inc and/or its affiliates. All Rights Reserved.

Municipal Liability Coverage Highlights

Overview

We are specialists at insuring Municipal & Public Administrations. Our liability wording has been specially designed to meet the unique needs of these types of risks.

Coverage

- Limits up to \$50,000,000 Available.
- Occurrence coverage with No General Aggregate.
- Territory – World-wide for all coverage.
- Products and Completed Operations – liability arising out of the Insured's operations conducted away from the Insured's premises once those operations have been completed or abandoned.
- Bodily Injury including coverage for assault and battery.
- Personal Injury coverage - broad coverage (including advertising coverage) for acts that violate or infringe on the rights of others.
- Liquor Liability for bodily injury or property damage imposed upon an Insured by a Liquor Liability Act.
- Blanket Contractual for liability assumed by the Insured in contracts, whether reported to the Insurer or not.
- Products Liability - legal liability incurred by an Insured because of injury or damage resulting from a product's exposure.
- Professional/Malpractice Liability including for bodily injury or property damage from professional exposures.
- Employers Liability providing coverage for liability to employees for work-related bodily injury or disease, other than liability imposed on the Insured by a workers compensation law.
- Sewer backup Liability
- Watercraft Liability - full coverage with no restrictions.
- Tenants legal liability
- Cross Liability
- Broad Definition of Insured.

Common Endorsements

In addition to the base wording, we have many optional endorsements to tailor coverage for individual accounts including:

- Wrongful Dismissal (Legal Expense)
- Forest Fire Expense
- Marina Liability Extension
- Sexual Abuse Therapy and Counselling Extension for long term care homes.
- Other endorsements specifically crafted for a particular exposure.

Coverage is Provided for Unique Exposures

- Products and Completed Operations Aggregate Limit may come into play for exposures such as road maintenance, snow removal, garbage collection / waste disposal, street cleaning or other duties that the Insured Municipality has to perform on behalf of third parties.
- Assault and battery coverage is imperative when there are security exposures (e.g. police).
- Products exposures such as utilities (e.g. water) are covered.
- Full Malpractice including Medical Malpractice as well as professional exposures are covered.
- Professional exposures include those such as medical, engineering, design errors or building inspection operations.

Municipal & Public Administration Errors and Omissions Liability Coverage Highlights

Municipal & Public Administration Errors and Omissions Insurance

Municipal & Public Administration Errors and Omissions Insurance (E&O) Coverage protects risks from civil litigation caused by allegations of professional negligence or failure to perform professional duties. E&O focuses on providing coverage when there is financial loss to a third party (rather than bodily injury or property damage as general liability does).

Features

Limits	Typically limits follow that of our Liability. We have the availability to offer up to \$50,000,000.
Defence Costs	Over and above the Limit of Insurance. Whether a potential claim is baseless, or not, mounting legal expense can have serious monetary consequences for an Insured.
No Annual Aggregate	With higher out of court settlements and increased damage awards, large or even a series of small claims can quickly erode an annual aggregate limit.
Claims Made Policy	Pays for claims occurring and reported during the policy period. Our policy provides retroactive coverage (no date need be specified) and stipulates that a claim is first known only when written notice is first received.
Claims Definition	The definition of claim also includes arbitration, mediation or alternative dispute resolution proceedings.
Insured Definition	Includes Councilors, Statutory Officers, Council Committees, Firefighters, Employees and Volunteers.

Coverage Is Provided For Unique Exposures

Insurance	No exclusion for failure to procure or maintain adequate insurance bonds or coverage (e.g. construction projects).
Benefit Plans	Errors or omissions in administering Employee Benefit Plans are covered.
Misrepresentations	Municipal governments are required to provide information with respect to local matters and must ensure the information which is provided is accurate, true and not misleading. Our definition of a Wrongful Act covers misstatements or misleading statements
Other Specialists and Services	Covers errors or omissions when they are rendered in connection with operations that are typical of public sector such as those of building inspections, zoning, planning, developing or regulating by-laws. Officials and employees acting in good faith are often times the subject of lawsuits.

Non-Owned Automobile Coverage Highlights

Overview

Non-Owned and hired automobile liability insurance covers bodily injury and property damage caused by a vehicle not owned by the Insured (including rented or borrowed vehicles). Coverage is provided for Third Party Liability arising from the use or operation of any automobile not owned or licensed in the name of the Insured if it results in bodily injury (including death), property damage (if the property was not in possession of the Insured) to a third party.

Features

SEF No. 96 Contractual Liability:

- When renting a vehicle you engage in a contractual relationship with the rental company where you assume liability for the operation of the automobile. It is therefore important that contractual coverage is added to the policy by way of an endorsement known as SEF (Standard Endorsement Form) No. 96. Contractual Liability coverage is automatically provided for all written contractual agreements with our Non-Owned Automobile coverage.

SEF No. 99 Long Term Lease Exclusion:

- When Contractual Liability is provided under the policy there is also an exclusion for Long Term Leased vehicles SEF No. 99. This excludes coverage for vehicles hired or leased for longer than a certain period such as 30 days.

Territory:

- The Non-Owned Automobile policy provides coverage while in Canada and United States.

Termination Clause:

- The standard termination clause has been amended in that the Insured may still provide notice of cancellation at any time, however, the Insurer must provide ninety days' notice of cancellation to the Insured rather than the standard 15 or 30 days.

SEF No. 94 Legal Liability (Physical Damage) to a Hired/Rented Automobile:

- We automatically provide coverage for damage to a vehicle that you have hired or rented. Coverage is provided via endorsement SEF No. 94. We automatically provide 'All Perils' coverage. The limit of coverage will vary per client.

Additional Information

Courts have repeatedly held that when an automobile is used on a person's behalf or under a person's direction, that person (or entity) has a responsibility for the operation of the automobile and may be held liable for damages in the event of an accident even though he or she is not the owner or driver of the vehicle. This common law principle has been supported by a number of court decisions making an employer responsible for the use and operation of an automobile when an employee is operating an automobile (not owned by the employer) while being used for the employer's business.

Environmental Coverage Highlights

Overview

Pollution incidents are a significant risk that can result in serious harm to public health and safety as well as to the environment.

We provide pollution liability insurance for claims for third-party bodily injury and property damage. Coverage is provided on a blanket basis resulting from pollution conditions on or migrating from premises owned, occupied, rented or leased by the Insured that are discovered and are reported during the policy period. The policy responds to events that are gradual in nature as well as those that are sudden and accidental, causing third-party damage whether pollutants are released on land, into the atmosphere or in the water.

Features

Defence Costs

- Our Defence costs are over and above the limit of insurance and will respond even if allegations are groundless or false.

Storage Tanks

- Seepage or leakage from both above and below ground storage tanks are covered without being specifically listed on the policy.

Territory

- Worldwide territory.

Limits of Insurance

- Both a 'per incident' and an 'aggregate' limit is applicable.

Additional Information

Environmental exposures pose an imminent and substantial threat to public health, safety or welfare or to the environment. Exposures could stem from: wastewater treatment plants, electric utility plants, construction sites, flood and rainwater runoff or retention basins, underground fuel storage tanks, herbicides, pesticides, and fertilizers, road salts and chemicals used to de-ice roads and bridges, contaminated waste from medical facilities or health clinics, marina's, fire-fighting chemicals or even contaminated swimming pools.

An environmental exposure arising from sewers is covered under our liability.

Crime Coverage Highlights

Overview

Our crime coverage is one of the broadest and most flexible in the industry. An Insured may elect to purchase any or all of the Standard Crime Coverage we have available. In addition to the Standard crime coverage the Insured may elect to also purchase any of our Optional Coverages.

Optional Crime Coverage Includes:

- Extortion Coverage (Threats to persons and property).
- Pension or Employment Benefit Plan coverage.
- Residential Trust Fund Coverage.
- Credit Card Coverage.
- Client Coverage (Third Party Bond).
- Fraudulently Induced Transfer Coverage (otherwise known as Social Engineering). *Separate Coverage Highlights Sheet for Fraudulently Induced Transfer Coverage is available.*

For more information on our Optional Coverage refer to our Crime Coverage Options Highlight Sheet.

Features of Our Standard Crime Coverage

Below is a brief description of the Standard Crime Coverage an Insured may elect to purchase:

Employee Dishonesty – Form A Commercial Blanket Bond

- This protects the employer from financial loss due to the fraudulent activities of an employee or group of employees. The loss can be the result of theft of money, securities or other property belonging to the employer.

Loss Inside and Loss Outside the Premises (Broad Form Money and Securities)

- Covers loss by theft, disappearance, or destruction of the Insured's money and securities inside the Insured's premises (or Insured's bank's premises) as well as outside the Insured's premises while in the custody of a messenger.

Money Orders and Counterfeit Paper Currency

Covers Loss

- Due to acceptance of a money order that was issued (or is purported to have been issued) by a post office or express company; and
- From the acceptance of counterfeit paper currency of Canada or the United States.

Forgery and Alteration

- Covers loss due to dishonesty from a forgery or alteration to a financial instrument (cheque, draft or promissory note).

Audit Expense

- Coverage for the expenses that are incurred by the Insured for external auditors to review their books in order to establish the amount of a loss. This is a separate limit of insurance.

Computer and Transfer Fraud (Including Voice Computer Toll Fraud)

- Loss caused when money, securities, or other property is transferred because of a fraudulent computer entry or change. The entry or change must be within a computer system that the Insured owns (and on their premises).
- Loss caused when money or securities are transferred, paid, or delivered from the Insured's account at a financial institution based on fraudulent instructions (at the financial institutions premises).
- Voice computer toll fraud covers the cost of long distance calls if caused by the fraudulent use of an account code or a system password.

Board Members' (Including Councillors') Accidental Death and Dismemberment Coverage Highlights

D&D and Paralysis Limits	Option 1	Option 2
Accidental Death or Dismemberment (including loss of life and heart attack coverage)	\$100,000	\$250,000
Paralysis Coverage – 200% of Accidental Death and Dismemberment Limit		
Permanent Total Disability - Accidental Death and Dismemberment Limit		

Weekly Indemnity	Option 1	Option 2
Total Loss of Time	\$300	\$500
Partial Loss of Time	\$150	\$300

Accident Reimbursement - \$15,000

Chiropractor	Crutches [†]
Podiatrist/Chiropodist	Splints [†]
Osteopath	Trusses [†]
Physiotherapist	Braces (excludes dental braces) [†]
Psychologist	Casts [†]
Registered or Practical Nurse	Oxygen Equipment – Iron Lung
Trained Attendant or Nursing Assistant [‡]	Rental of Wheelchair
Transportation to nearest hospital [†]	Rental of Hospital Bed
Prescription drugs or Pharmaceutical supplies [‡]	Blood or Blood Plasma [‡]
Services of Physician or Surgeon outside of the province	Semi Private or Private hospital room [‡]

[†]Maximum \$1,000 per accident. [‡]If prescribed by physician

Dental Expenses

Dental Expenses	\$5,000
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Occupational Retraining – Rehabilitation

Retraining – Rehabilitation for the Named Insured	\$15,000
Spousal Occupational Training	\$15,000

Repatriation

Repatriation Benefit (expenses to prepare and transport body home)	\$15,000
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Dependent Children – Per Child

Dependent Children's Education (limit is per year- maximum 4 years)	\$10,000
Dependent Children's Daycare (limit is per year- maximum 4 years)	\$10,000

Transportation/Accommodation

(When Treatment Is Over 100km From Residence)

Transportation costs for the Insured when treatment is over 100km from home.	\$1,500
Transportation and accommodation costs when Insured is being treated over 100km from home.	\$15,000

Home Alternation and Vehicle Modification

Expenses to modify the Insured's home and/or vehicle after an accident.	\$15,000
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Seatbelt Dividend

10% of Principal Sum	\$25,000
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Funeral Expense

Benefit for loss of life	\$10,000
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Identification Benefit

Benefit for loss of life	\$5,000
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Eyeglasses, Contact Lenses and Hearing Aids

When Insured requires these items due to an accident.	\$3,000
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Convalescence Benefit – Per Day

Insured Coverage	\$100
One Family Member Coverage	\$50

Workplace Modification Benefits

Specialized equipment for the workplace.	\$5,000
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Elective Benefits

Complete Fractures

Skull	\$ 5,200	Foot & Toes	\$ 2,200
Lower Jaw	\$ 2,800	Two or More Ribs	\$ 1,900
Collar Bone	\$ 2,800	Colles' fracture	\$ 2,800
Shoulder Blade	\$ 3,500	Potts' fracture	\$ 3,400
Shoulder Blade complications	\$ 3,700	Dislocation	
Thigh	\$ 4,600	Shoulder	\$ 2,200
Thigh/hip joints	\$ 4,600	Elbow	\$ 2,200
Leg	\$ 3,500	Wrist	\$ 2,500
Kneecap	\$ 3,500	Hip	\$ 4,600
Knee/joint complications	\$ 4,000	Knee	\$ 3,500
Hand/Fingers	\$ 2,200	Bones of Foot or Toe	\$ 2,500
Arm (between shoulder & elbow)	\$ 4,600	Ankle	\$ 2,800
Forearm (between wrist & elbow)	\$ 2,800		

Aggregate Limit

Aggregate Limit only applicable when 2 or more board members are injured in same accident.	\$ 2,500,000
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Coverage Extensions

- Standard coverage is applicable while the Insured is 'On Duty'. Coverage for Accidents that may occur 24/7 may be purchased.
- Accidental Death of a Spouse While Travelling on Business is automatically included when this coverage is purchased. This endorsement provides for Accidental Death of a spouse when the spouse is travelling with an Insured Person on business. Coverage applies while travelling to or from such an event and /or if the loss of life occurs within one year of the accident.
- When Board Members' Accidental Death and Dismemberment Coverage is purchased, the Insured also has the option to purchase Critical Illness Coverage.

Additional Information

- Loss of life payments up to 365 days from date of Accident or if permanently disabled up to 5 years.
- Weekly Indemnity coverage pays in addition to Elective Benefits.
- Weekly Indemnity payments take other income sources into consideration (e.g. automobile, CPP, group plans).
- Coverage is applicable to Insured 80 years of age or under.

Conflict of Interest Coverage Highlights

Overview

Conflict of Interest can be described as a situation in which public servants have an actual or potential interest that may influence or appear to influence the conduct of their official duties or rather divided loyalties between private interests and public duties.

Conflict of Interest coverage provides protection for the cost of legal fees and disbursements in defending a charge under the Municipal Conflict of Interest Act (or other similar Provincial Legislation in the respective province of the Insured).

Features

Coverage is offered as a standalone coverage providing the client a separate limit of insurance that is not combined with any other coverage such as legal expense coverage.

- Per Claim Limit only – No Annual Aggregate.
- Coverage provided on a Reimbursement Basis.

Coverage Description

Coverage is provided for legal costs an Insured incurs in defending a charge under the Provincial Conflict of Interest Act if a court finds that:

- There was no breach by the Insured; or
- The contravention occurred because of true negligence or true error in judgment; or
- The interest was so remote or insignificant that it would not have had any influence in the matter.

Additional Information

Coverage is provided for elected or appointed members of the Named Insured including any Member of its Boards, Commissions or Committees as defined in the 'Conflict of Interest Act' while performing duties related to the conduct of the Named Insured's business.

Conflict of Interest coverage is applicable to only those classes of businesses that are subject to the Municipal Conflict of Interest Act (or other similar Provincial legislation in the respective province of the Insured).

Legal Expense Coverage Highlights

Coverage Features

We offer comprehensive Legal Expense Coverage to protect an Insured against the cost of potential legal disputes arising out of your operations.

- Coverage will pay as costs are incurred.
- Broad Core Coverage.
- Optional Coverage.
- Coverage for Appeals for Legal Defence Costs and any Optional Coverage purchased.
- Unlimited Telephone Legal Advice and access to Specialized Legal Representation in event of legal disputes.
- Additional Optional Coverage available.
- Broad Definition of Insured including managers, employees and volunteers.

Broad Core Coverage

The core coverage provides Legal Defence Costs for:

- Provincial statute or regulation (including human rights tribunals).
- 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.

Optional Coverage

In addition to the Core Coverage an Insured can mix and match any of the following Optional Coverage:

- Contract Disputes and Debt Recovery
- Statutory License Protection
- Property Protection
- Tax Protection

Limits and Deductibles

- Coverage is subject to a Per Claim and an Aggregate Limit.
- The Core Coverage is typically written with no deductible however a deductible may be applied to Optional Coverage.

Exclusions

- Each Insuring Agreement is subject to Specific Exclusions and Policy Exclusions.
- Municipal Conflict of Interest Act (or other similar provisions of other Provincial legislation) is excluded.
* Conflict of Interest Coverage may be provided under a separate policy for eligible classes of business.

Telephone Legal Advice and Specialized Legal Representation

- General Advice (available from 8 am until 12 am local time, 7 days a week).
- Emergency access to a Lawyer 24 hours a day, 7 days a week.
- Services now automatically include the option of using an appointed representative from a panel of Lawyers with expertise in a variety of areas.

Client Material and Wallet Card

- The 'Legal Expense Important Information' wording attached to each policy explains the steps that are to be taken in event of a claim.
- A wallet card is now attached to the policy which the Named Insured can copy & distribute to each Insured (e.g. managers, employees, etc.).

The information provided by Intact Public Entities Inc. is intended to provide general information 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. Intact Design® is a registered trademark of Intact Financial Corporation. All other trademarks are properties of their respective owners. TM & © 2023 Intact Public Entities Inc and/or its affiliates. All Rights Reserved.

Property Coverage Highlights

Overview

Property insurance is about planning for the unexpected and protecting your physical assets in order to minimize your business disruption should a loss occur. It is important that your property insurance includes broad coverage to protect these assets (e.g. buildings and other property you own, lease or are legally liable for) from direct physical loss.

We will work closely with you to customize a property coverage solution. We cover a wide variety of property, including buildings, inventory and supplies, office furniture and fixtures, computers, electronics, equipment (including unlicensed mobile equipment, maintenance and emergency equipment) and other unique property.

The IPE property wording is flexible and adaptable. Your policy will be comprised of a Base Property Wording and a Municipal & Public Administration Extension of Coverage Endorsement as well as any miscellaneous or specific endorsements to tailor coverage to meet your needs.

Features and Benefits

Features and Benefits include:

- Coverage is typically written on an all-risk basis including replacement cost.
- Our standard practice is to write property on a Property of Every Description (POED) or blanket basis, however, coverage can be scheduled separately if required.
- We have two Deductible Clauses: A standard Deductible Clause and a Dual Policy Deductible Clause. The Dual Policy Deductible clause states how a deductible will be applied when there is both an automobile policy and a property policy involved in the same loss (when both policies are written with IPE).
- Worldwide Coverage
- Unlicensed Equipment (e.g. Contractors Equipment): Automatically includes Replacement Cost as the basis of settlement up to five years in age. For years 6 to 15 coverage will be amended to scheduled, Replacement Cost value. Any Contractors Equipment over 15 years will be amended Actual Cash Value (ACV) or Valued basis if required (applicable only if the Insured owns the unlicensed equipment).
- Flood and Earthquake coverage are available.

Supplemental Coverage Under the Base Property Wording

The Base Property Wording automatically includes numerous Supplemental Coverages such as:

- | | |
|---|---|
| • Building Bylaws | • Furs, Jewellery and Ceremonial Regalia |
| • Building Damage by Theft | • Inflation Adjustment |
| • Debris Removal Expense | • Live Animals, Birds or Fish |
| • Electronic Computer Systems | • Newly Acquired Property |
| • Expediting Expense | • Professional Fees |
| • Fire or Police Department Service Charges | • Property at Unnamed Locations |
| • First Party Pollution Clean-Up Coverage | • Property Temporarily Removed including while on Exhibition and during Transit |
| • Fungi (covers the expense for any testing, evaluating or monitoring for fungi or spores required due to loss) | • Recharge of Fire Protective Equipment |
| | • Sewer Back Up and Overflow |

Note: The Supplemental Coverage does not increase your Total Sum Insured in most cases.

Municipal & Public Administration Extensions of Coverage Endorsement

Each Extension of Coverage has an individual Limit of Insurance and will be shown on the Summary of Coverage/Declarations Page.

The Limit of Insurance for each Extension of Coverage is over and above the Total Sum Insured (unless shown as 'included' on the declarations or otherwise stipulated within the wording).

- Accounts Receivable
- Bridges and Culverts
- Building Coverage Owned Due to the Non Payment of Municipal Taxes – *Named Perils Coverage applies.*
- Building(s) in the Course of Construction Reporting Extension
- By Laws – Governing Acts
- Consequential Loss caused by Interruption of Services
- Cost to Attract Volunteers Following a Loss
- Docks, Wharves and Piers
- Errors and Omissions
- Exterior Paved Surfaces
- Extra Expense
- Fine Arts at Own Premises and Exhibition Site
- Fundraising Expenses
- Green Extension
- Growing Plants
- Ingress and Egress
- Leasehold Interest
- Master Key
- Peak Season Increase
- Personal Effects
- Property of Others
- Rewards: Arson, Burglary, Robbery and Vandalism
- Signs
- Vacant Properties – *Named Perils Coverage applies on an Actual Cash Value basis.*
- Valuable Papers

Equipment Breakdown Advantage Highlights

Overview

Property policies typically exclude losses that Equipment Breakdown Insurance is designed to cover.

Equipment Breakdown Coverage insures against losses (property damage and business interruption) resulting from 'accidents' (as defined in the wording) to various types of equipment such as pressure, mechanical, electrical and pressure equipment. Coverage also extends to electronic equipment for 'electronic circuitry impairment'. Coverage typically extends to production machinery unless specifically excluded.

Features

Coverage is extended to pay for:

Property Damage: The cost to repair or replace damaged equipment or other covered property, including computers, due to a covered accident.

Business Income: The loss of business income due to an interruption caused by a covered accident from the date of loss until such equipment is repaired or replaced or could have been repaired or replaced plus additional time to allow your business to become fully operational.

Extra Expense: Additional costs (e.g., equipment rental) you incur after a covered loss to maintain normal operations.

Expediting Expenses: The cost of temporary repairs or to expedite permanent repairs to restore business operations.

Service Interruption: Business income and extra expense resulting from a breakdown of equipment owned by a supplier with whom the Insured has a contract to supply a service. If there is no contract, the equipment must be within 2500 metres of the location.

Data Restoration: The restoration of data that is lost or damaged due to a covered loss.

By laws: The additional costs to comply with building laws or codes.

Other Coverage: Spoilage, Hazardous Substances, Ammonia, Water damage, Professional Fees, Errors and Omissions, Newly Acquired Locations or Civil Authority

Coverage Automatically Includes:

Microelectronics Coverage: Provides insurance when physical damage is not detectable or when firmware or software failure causes non-physical damage. Triggered when covered equipment suddenly stops functioning as it had been and that equipment or a part containing electronic circuitry must be replaced.

Service Interruption: Pays for business interruption and extra expense when your cloud computing service provider experiences an outage due to an equipment breakdown.

Off Premises Objects: Extends coverage to transportable equipment anywhere in North America.

Brands and Labels: Pays for the cost of removing labels or additional cost of stamping salvaged merchandise after a loss.

Equipment Upgrade: Pays for any increase in the replacement of new equipment that is capable of performing the same functions that may include technological improvements, 25% max of \$250,000.

Selling Price: Pays for regular cash selling price at the time of loss of such manufactured products or merchandise at the location

Other Benefits

Public Relations Coverage: (when business income coverage is purchased other than extra expense) pays for public relations assistance to help manage your reputation that may be damaged by business interruption or data loss.

Contingent Business Interruption: (when business income coverage is purchased other than extra expense) pays for Business Income resulting from a covered accident to property not owned, operated or controlled by the Insured.

Additional Information

Intact automatically provides inspection services for boilers and pressure vessels to satisfy the provincial inspection requirements on our behalf.

Owned Automobile Coverage Highlights

Overview

We can provide mandatory automobile coverage for all licensed vehicles owned and/or leased by the Insured.

Features

Third Party Liability Coverage:

- Coverage is provided for Third Party Liability (bodily injury and property damage) protecting you if someone else is killed or injured, or their property is damaged. It will pay for claims as a result of lawsuits against you up to the limit of your coverage, and will pay the costs of settling the claims. Coverage is for licensed vehicles you own and/or leased vehicles.

Standard Statutory Accident Benefits Coverage:

- We automatically provide standard benefits if you are injured in an automobile accident, regardless of who caused the accident. Optional Increased Accident Benefits Coverage is available upon written request.

Optional Statutory Accident Benefits Coverage - Available upon request

- Including coverage for: Income Replacement; Caregiver, Housekeeping & Home Maintenance; Medical & Rehabilitation; Attendant Care; Enhanced Medical Rehabilitation & Attendant Care; Death & Funeral; Dependent Care; Indexation Benefit (Consumer Price Index) – Ontario

Direct Compensation Property Damage:

- Covers damage to your vehicle or its contents, and for loss of use of your vehicle or its contents, to the extent that another person was at fault for the accident as per statute.

Physical Damage Coverage:

- Various basis of settlement including: Replacement Cost, Valued Basis and Actual Cash Value. Refer to Owned Automobile Replacement Cost Coverage Highlights page for details on Replacement Cost Coverage.

Additional Information

Blanket Fleet Endorsement:

- Coverage may be provided on a blanket basis under the 21B – Blanket Fleet Endorsement. When this endorsement is attached to the policy, premium adjustment is done on renewal. Adjustment is made on a 50/50 or pro rata basis as specified in the endorsement. Mid-term endorsements are not processed on policies with this blanket cover.

Single Loss:

- 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.

For a list of vehicles quoted, refer to Exhibit "B".

Owned Automobile Replacement Cost Coverage Highlights

Overview

The Replacement Cost Endorsement if attached to your automobile policy amends Section 7 'Loss or Damage Coverages' of the policy to remove our right to deduct depreciation in the event of a loss.

Coverage under this endorsement is as follows:

We will pay:

- the cost to repair the automobile with material of like kind and quality
- In the event of constructive or total loss:
 - the cost of **replacing the automobile** with a new automobile of the same make and model, similarly, equipped **if you are the original purchaser** and the automobile was new at the time of delivery;
 - **the actual price paid by you** for the automobile and its equipment or actual cash value whichever is greater:
 - i) **if the automobile was not new** at the time of purchase, or
 - ii) **if you are not the original purchaser**, or
 - for **fire trucks over 20 years but not exceeding 25 years, the actual price paid by you** for the automobile and its equipment or actual cash value whichever is greater.

The following conditions apply:

- coverage only applies to owned light and heavy commercial automobiles, licensed contractor equipment and trailers that are **20 years old or newer** and **for fire trucks over 20 years but not exceeding 25 years as stipulated above**
- coverage does not apply to any automobiles branded rebuilt
- coverage does not apply to any automobiles insured on an agreed value basis

Important Information

- Replacement Cost Coverage is no longer available for Private Passenger Vehicles and Miscellaneous Vehicles
- Please refer to the endorsement wording for complete details of coverage.
- When providing us with details of additional or substituted vehicles, please advise us of the purchase price and whether the vehicle was purchased new or used.

Commercial Follow Form Excess Liability Coverage Highlights

Overview

Excess liability coverage provides an additional limit of insurance coverage over and above the limits of insurance afforded under the applicable underlying insurance. An excess policy offers you additional insurance protection over and above the limits of your underlying policy. Example if your underlying policy has an occurrence limit, an excess policy can provide additional protection in event of a catastrophic loss. It can provide added protection if an aggregate limit on an underlying policy has been exhausted.

The follow form excess policy typically “follows” the insuring agreements, exclusions, and conditions of the underlying policy. This means that we not only provide additional limits of liability over the primary liability policy, but such coverage matches the underlying policy (except in instances where an endorsement has been attached amending coverage).

We offer a layered structure when writing excess coverage. We provide **primary** insurance policies to a maximum limit of \$15,000,000 on the casualty policies (Liability, E&O, Miscellaneous Professional Including Bodily Injury or Claims Made Malpractice coverage (depending on your policy), Non Owned Automobile and Owned Automobile including garage coverage).

We have the ability to provide excess coverage over all classes of business where the primary policy is written by Intact Public Entities. We also have the capacity to provide you with exceptionally high excess limits to meet your needs.

Coverage Specifics

- Coverage will attach in the event of exhaustion of underlying insurance (unless specifically shown in your policy documents).
- This coverage is subject to the same terms, definitions, conditions, exclusions and limitations of the applicable underlying insurance (except as otherwise stated in your policy). This feature provides the flexibility to provide excess limits over a number of different types of policies.
- Our Declaration Pages/Schedules of Coverage clearly identify underlying coverages that the excess coverage is written over.
- Underlying insurance is required to be maintained in full force and effect for excess coverage to apply.
- Prior and Pending Litigation is expressly excluded from coverage.
- Incident is a defined term and means an occurrence, accident, offence, act, or other event, to which the underlying insurance applies.
- S.P.F. 7, Standard Excess Automobile policy or the applicable form applies for any automobile coverage.
- Where an aggregate limit is stated in the Declarations pages, it will apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months.
- Coverage can be tailored to your individual circumstances by way of endorsements.



Program Options Highlights of Coverage

IPE offers a Comprehensive Insurance Program to meet your needs.

"Your Insurance Coverage" provides a schedule of proposed coverages, limits and deductibles included in this proposal.

Highlights of coverage follow, providing a summary of coverage. Highlight pages may include a description of optional coverages.

The information provided by Intact Public Entities Inc. is intended to provide general information 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. Intact Design® is a registered trademark of Intact Financial Corporation. All other trademarks are properties of their respective owners. TM & © 2023 Intact Public Entities Inc and/or its affiliates. All Rights Reserved.

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 (Social Engineering)

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.

Remotely Piloted Aircraft Systems (UAV) Coverage Highlights

Overview

- Transport Canada is responsible for regulating UAV's. Their terminology for UAV's (Unmanned Aerial Vehicles) has changed and these are now considered to be Remotely Piloted Aircraft Systems (RPAS) rather than UAV's. Regulations regarding operator licensing has also changed.
- Liability or property policies can be enhanced with endorsements to cover RPAS. Coverage may be available when operators are in compliance with current regulations. Coverage offered is intended to close the gap in liability and property insurance because of aviation exclusions.

Property Coverage

- Property: (Optional Coverage).
- All Risk Coverage for the RPAS including all permanently attached equipment and Ground or Operating Equipment (including any detachable equipment such as cameras etc.).
- Coverage includes electrical and mechanical breakdown.
- Basis of settlement options include: Replacement Cost, Valued Amount or Actual Cash Value.
- **In addition to the standard exclusions within the Property All Risk Wording, the following exclusions also apply:**
- Those used for military purposes, personal or recreational use.
- Those being rented to, leased to or lent to others.
- Mysterious disappearance after commencement of a flight unless RPAS remains unrecovered for 30 days.
- If they are not in compliance with the manufacturer's specifications (e.g. the weight payload) is exceeded, when operated in wind at a higher speed than recommended etc.).
- RPAS must not exceed 500 meters in altitude or the range of 1km from the operator.
- Hijacking or unauthorized control of the RPAS or Equipment.
- Failure to comply with any statute, permit, rule, regulation or any requirement for qualification to operate the RPAS or the equipment.

Liability Coverage

- While Transport Canada mandates a minimum amount of insurance (\$100,000), coverage will follow the liability limit up to \$15,000,000. Higher limits may be available.
- We will extend liability to RPAS.
- Having a range of up to a maximum of 1km from the operator.
- With an altitude of 500 metres or less.
- Operators meeting all Transport Canada regulations.
- Not being used for military purposes, personal or recreational use.

Important Information

While our endorsements are primarily designed to offer coverage RPAS 25kg or less, we may be able to offer coverage for those falling outside of these parameters through our general aviation market.

EXHIBIT “A”

Estimate of Values

The information contained herein is confidential, commercial, financial, scientific and/or technical information that is proprietary to Intact Public Entities Inc. and cannot be disclosed to others. Any such disclosure could reasonably be expected to result in significant prejudice to the competitive position of Intact Public Entities Inc., significant interference with its competitive position and/or cause it undue loss. TM & © 2023 Intact Public Entities Inc. and/or its affiliates. All Rights Reserved.



June 16, 2025

Matthew White BBA, CIP, CRM
Halpenny Insurance Brokers Ltd.
55 Metcalfe Street, Suite 860
Ottawa ON, K1P 6L5

Re: Corporation of The Town of Gananoque

Dear Matthew:

We are pleased to attach our Insurance Quotation setting out the proposed coverages together with our Program Options for the above-Named Insured.

Also attached are the following:

- Property – Scheduled Items
- Business Interruption – Gross Revenue
- Business Interruption – Rent or Rental Value
- Fine Arts Schedule
- Watercraft Schedule
- Property – Asset Schedule
- Property – Additional Interests(s)
- Automobile – Fleet Schedule

The following is required prior to binding:

- Completed and Satisfactory Abuse Long Form Application.
- Receipt of a copy of the Insured's Abuse Policies and Procedures.
- Completed Marina Application.
- Completed Environmental Application and confirmation of no loss in previous 5 years).
- Completed Comprehensive Dishonesty, Disappearance and Destruction Application.
- Insured contact information to coordinate inspections at Water Treatment Plant and Arena.

We trust the attached will be found in order and look forward to hearing further from you.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Darryll Massiah".

Darryll Massiah CRM, RIBO
Account Manager
Intact Public Entities

/kl
Attachment(s)

Executive Summary

Corporation of the Town of Gananoque

Municipal Insurance Program

July 29, 2025 – July 29, 2026

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Executive Summary

Halpenny Insurance Brokers Ltd. is pleased to present the Corporation of the Town of Gananoque with the July 29, 2025 to July 29, 2026 Insurance Renewal Proposal for the Municipal Insurance Program Package. Halpenny has obtained two options for the Town's consideration, these include:

- Option No. 1 – Marsh Canada Limited (Public Sector), your incumbent Insurance provider
- Option No. 2 – Intact Public Entities, Canada's largest Municipal Insurer, who presently writes and provides risk management services to 50% of Ontario's Municipalities.

Current Market Landscape

The municipal insurance market has experienced "hard market" conditions over the last 4-5 years which is characterized by increased premiums, reduced coverage options, and limited availability of insurers. Factors contributing to this environment include declining investment rates, a rise in claims, and significant global losses. Some challenges that particularly impact municipal claims are: Extreme weather events that are increasing in frequency and severity

- Higher award settlements
- Higher future care costs
- Class action lawsuits
- Claim inflation ranging from 6% to 8% annually
- An increasingly litigious society, resulting in higher claim frequencies against municipalities
- Joint & Several Liability relating to Negligent Acts

Understanding these trends will inform your approach to risk management and insurance procurement.

For 2025, we are pleased to see the municipal insurance market is showing signs of stabilizing. Insureds with favourable loss performance are seeing year over year inflationary increases in the single digits whereas they may have experienced double digit increases in recent years. However, recent storms in Canada give reason for cautious optimism. According to the Insurance Bureau of Canada, the summer of 2024 now ranks as the most-destructive season in Canadian history for insured losses due to severe weather. Losses exceeded \$8.5 billion (Toronto & Southern Ontario floods \$991M, Jasper wildfire \$880M, Calgary hailstorm \$2.8B, and Quebec floods \$2.5B). In addition, the 2022 'derecho' windstorm in Eastern Ontario is the 5th largest catastrophic loss in Canadian history.



Canada: Insured Catastrophic Losses in 2024

**Insured Damage
Estimate:
\$8.5 Billion+**

BC

Western Canada Deep Freeze
\$180 million (January)

Southern BC Storms
\$120 million (October)

AB

Jasper Wildfire
\$1.1 billion (July)

Calgary Hailstorm
\$3 billion (August)

MB, SK

Manitoba Hailstorms
\$60 million (May)

Saskatchewan Severe Storms
\$135 million (June)

QC

Remnants of Hurricane Debby
\$2.7 billion (August)

ON

Toronto and GTA Flooding
\$990 million (July)

GTA and Southern Ontario Flooding
\$110 million (August)

*The amount of insured damage is an estimate provided by CatIQ (www.catiq.com) under licence to IBC.

Top Catastrophic Losses Paid in Canada

Rank	Year	Total Loss in Billions	Weather Event
1	2024	\$8.55B	Toronto & Southern Ontario Floods, Jasper wildfire, Calgary hailstorm, Quebec Floods, remnants of Hurricane Debby
2	2016	\$6.2B	Fort McMurray Wildfire
3	2013	\$4.03B	Alberta Floods, GTA Floods, GTA Ice Storm
4	2022	\$3.61B	Multiple Events throughout the Country
5	2023	\$3.61B	Okanagan & Shusway, BC wildfires, Nova Scotia Floods
6	1998	\$2.94B	Quebec Ice Storm.

Sources 1983–2007: IBC, PCS Canada, Swiss Re, Deloitte. 2008–2024: CatIQ

* Summer 2024 includes losses from catastrophic events in only July and August, 2024.

** Total loss and adjusted expenses in 2023 dollars

Renewal Terms from Marsh Canada

Marsh Canada, your incumbent insurer, has quoted a renewal premium of \$448,276 vs \$448,744 expiring, which represents an overall decrease of 0.1%. It is worth mentioning that we are seeing 5-10% premium increases for other Municipalities with good loss performance. Below are the following changes from the expiring policy:

Municipal General Liability

- The insurer has agreed to keep the Primary Liability premium flat
- Environmental Impairment Liability premium also remained flat
- Communicable Disease Coverage is provided for \$1,000,000
- New Endorsements:
 - Criminal Defense Cost Reimbursement
 - Medical, Rehabilitation and Counseling Costs
 - Crisis Management
 - Child Abduction
- A Two-Year Long-Term Agreement has been provided for premium savings – please refer to the ‘Acceptance Form’. This would keep the primary liability premium flat for next year, subject to no adverse loss development.
- Deductible options have been provided for further premium savings – please refer to the ‘Acceptance Form’

Excess Liability

- Premium increased by 5% on both Excess Layers due to market inflationary changes.

Property & Machinery Breakdown

- Blanket Limit of Insurance has increased to \$115,199,565 vs. \$111,881,296 expiring (+3%) based on the Property schedule filed with our office.
- Underwriters quoted a 5% rate reduction.

Automobile

- 3% rate increase has been applied due to market inflationary changes

Additional Offerings from Marsh Canada

- As an incentive to retain the municipality’s insurance, the Property Insurer (Aviva) has agreed to include Gananoque in their 3-year Aviva Risk Management Solutions strategy starting 2026 which includes Loss Control inspections, collecting COPE (Construction, Occupancy, Protection, Exposure) details and recommending values for replacement costs of location
- In addition to Aviva’s 2026 plan, Marsh will provide valuations on 1/3rd of the properties over \$750,000 in value (excluding Wastewater Treatment Plants) in 2025
 - These are significant value-added services which are not provided by all municipal insurers.

Marsh Canada Quote Subjectivities:

- Terms provided in Marsh’s Proposal are subject to no claims deterioration as of July 29, 2025
- Property values are based on the current schedule filed with our office. Renewal terms may change if locations are added/deleted between now and July 29, 2025
- Auto terms are based on the vehicle schedule filed with our office. Renewal terms may change if units are added/deleted between now and July 29, 2025

Overall, Halpenny feels the renewal terms offered by Marsh Canada are very favourable and should strongly be considered as it is not often that flat rating is achieved in the municipal insurance marketplace. Marsh has been Gananoque’s insurer since 2014 and has paid over \$1.25M in claims.

Renewal Terms from Intact Public Entities

Intact Public Entities is a leader in Municipal Insurance across Canada with a history of doing so for over 90 years. In Ontario Intact Public Entities (IPE) provides Insurance and Risk Management Services to 50% of Municipal accounts, as this is their primary focus.

It is Halpenny's recommendation that the Municipality strongly consider the offering from IPE, as it has the following notable advantages:

- Premium savings of \$52,873 vs. expiring.
- \$10,000 Property deductible vs. \$25,000 expiring.
- Employment Practices Liability included for full limit
- IPE has in-house claims adjusters
- IPE offers an abundance of value-added services (at no additional costs to the Municipality) including:
 - Asset Valuation and Risk Inspections
 - Roads and Sidewalk Risk Assessment
 - Municipal Risk Education & Seminars
 - Contract Reviews
 - Policy and Procedural Reviews
 - See full listing on pages 4-7 in the IPE Proposal

Intact Public Entities quote subjectivities:

- Completion of IPE Abuse Long Form Application along with receipt of a copy of the Municipality's Abuse Policies and Procedures within 60 days of inception
- Completion of Marina Application
- Completion of Environmental Application and confirmation of no loss in previous 5 years.
- Completion of IPE Crime (Comprehensive Dishonesty Disappearance and Destruction) Application
- Contact information to coordinate inspections at Water Treatment Plant and Arena.

A high-level comparison of the two insurance programs is provided for your convenience below. We strongly encourage that Municipality review both the attached Marsh Canada Report, and Intact Public Entities Report for full details.

We would appreciate if you would provide your instructions to our office by **July 15, 2025** to allow adequate time for renewal processing. Please contact our office if you have any questions or concerns.

Regards,

Matthew White, CIP, CRM
Vice President, Partner
Halpenny insurance Brokers Ltd.
mwhite@halpenny.com

Program Overview

Municipal Insurance Package

	2024-2025 Expiry Marsh	2025-2026 Renewal (Option 1) Marsh	2025-2026 Renewal (Option 2) IPE
Municipal General Liability	\$209,336	\$209,336	\$138,700
Umbrella Liability (1 st Layer)	\$5,473	\$5,747	\$3,397
Umbrella Liability (2 nd Layer)	\$2,629	\$2,760	\$3,000
Property	\$175,651	\$172,895	\$137,842
Boiler & Machinery	\$22,835	\$22,476	\$8,549
Crime	\$900	\$900	\$2,050
Automobile	\$31,248	\$33,490	\$76,445
Council Accident	\$672	\$672	\$469
Total Premium	\$448,744	\$448,276	\$395,871

Ontario Tax (R.S.T.) at 8% is applicable to insurance premium, with the exception of Automobile Insurance which is non taxable in Ontario.

Additional Coverage Options

1. Cyber

Limit / Deductible	Premium
\$1,000,000 / \$5,000	\$7,505
\$2,000,000 / \$5,000	\$10,330
\$3,000,000 / \$5,000	\$13,145
\$5,000,000 / \$5,000	\$19,325

Highlights:

- We sought quotes outside of the Marsh and IPE programs. The Cyber can be bound with either municipal package insurer Gananoque chooses.
- Deductible - \$5,000 for all limit options. Other insurers may push for higher deductibles.
- No Aggregate limit on \$1M, \$2M, \$3M options. Aggregate clauses are increasingly common on Cyber policies because they serve as a way for insurers to limit their total financial exposure during the policy period. A single cyberattack can trigger multiple coverages such as incident response, legal, forensics, extortion, third party liability, data restoration, business interruption, and regulatory fines. Furthermore, an Insured can suffer multiple Cyber attacks during a single policy period. CFC is one of the few insurers who offers coverage without an aggregate on first party losses.
- Cyber Crime - \$250,000 limit for Funds Transfer Fraud, Social Engineering, Phishing, Invoice Manipulation, New Vendor Fraud, Physical Goods Fraud, Service Fraud (Cryptotjacking) and more.
 - Other insurers may provide lower limits or no coverage at all for things such as Funds Transfer Fraud, Social Engineering, Phishing, and Invoice Manipulation.
 - Social Engineering is one of the most common causes of Cyber claims and we would strongly recommend a Cyber policy that includes Social Engineering coverage.

2. Low-Risk Event Liability – Facility User Group

- Covers third-party renters of municipal facilities for events and low-risk sporting activities.

Marsh	IPE
<ul style="list-style-type: none"> Premium: \$1,767 + \$50 fee Option to Add Vendor & Liquor Liability for additional \$884 Based on population of 5,412 \$5,000,000 Third-Party Liability Limit Blanket and/or reporting form available 	<ul style="list-style-type: none"> Ballpark premium of \$2,000, includes liquor liability \$2,000,000 and \$5,000,000 limits available Reporting form – deposit premium paid at inception and adjusted at year-end (see attached Facility User Administration log spreadsheet) <p>Subject to:</p> <ul style="list-style-type: none"> Confirmation of anticipated number of renters/lessees for each facility Types and number of events for each facility for upcoming year

3. Employment Practices Liability

- Covers: Wrongful Termination, Discrimination, Bullying/Harassment
- Current policy includes a \$500,000 limit for legal expenses arising from Wrongful Dismissal suits. A standalone EPL policy provides much broader coverage including the potential settlement from these suits, as well as allegations of discrimination, harassment of third parties including customers (members of the public whom the Town serves), vendors, suppliers, clients.

Marsh	IPE
<ul style="list-style-type: none"> Limits of up to \$5M available A formal application is required for Marsh to provide a quote. 	<ul style="list-style-type: none"> Included in IPE's full limit offering, fully policy limits apply (\$15,000,000) and Excess sits on top (\$50,000,000 total).

4. Legal Expense

Marsh	IPE
<ul style="list-style-type: none"> Premium: \$8,458 Based on last audited financials of \$24,877,627 "ARAG" provides a Legal Helpline, Legal Assistance, and Support Services Terms based on Revenue Band for Municipality Aggregate Limit of Indemnity: \$1,000,000 Deductible: \$2,500 Contract Disputes & Debt Recovery See brochures attached with information on coverage Subject to confirmation of past 12 months gross revenue 	<ul style="list-style-type: none"> Included

Comparison Marsh vs. IPE

COVERAGE	MARSH CANADA	INTACT PUBLIC ENTITIES
Municipal Liability	<p>Limit of Liability - \$50,000,000</p> <ul style="list-style-type: none"> • Primary - \$5,000,000 Limit • Primary Deductible - \$10,000 • Umbrella - \$20,000,000 Limit • Excess Umbrella - \$25,000,000 Limit • Environmental - \$2,500,000 any one claim/ \$5,000,000 Annual Aggregate • Abuse - \$2,000,000 any one claim/Aggregate • Communicable Disease - \$1,000,000 Limit, with a \$25,000 deductible • No Coverage for Employment Practices Liability (would need to be quoted separately) 	<p>Limit of Liability - \$50,000,000</p> <ul style="list-style-type: none"> • Primary - \$15,000,000 Limit • Primary Deductible - \$10,000 • First Excess - \$15,000,000 • Second Excess - \$25,000,000 • Environmental - \$5,000,000 any one claim/ \$5,000,000 Annual Aggregate • Abuse - \$2,000,000 any one claim/Aggregate • Communicable Disease – Excluded • Employment Practices Liability coverage is included
Property	<p>Blanket Limit - \$115,199,565</p> <p>Property of Every Description - \$109,093,541</p> <p>Contractors Equipment - \$1,647,472</p> <p>Fine Arts - \$1,286,691</p> <p>Watercraft - \$106,080</p> <p>Business Interruption - \$540,782</p> <p>Deductible - \$25,000 per loss</p> <p>Windstorm Deductible - \$50,000</p> <p>Flood Deductible - \$100,000 each Flood (except \$250,000 for 110 King St. due to location being in high flood zone) – per occurrence</p> <p>Earthquake Deductible – 10% Min \$100,000 each earthquake</p>	<p>Total Limit of Insurance: \$116,158,660 includes:</p> <p>Property of Every Description - \$96,709,380</p> <p>Scheduled Items - \$14,870,700</p> <p>Fine Arts - \$1,261,700</p> <p>Watercraft - \$106,080</p> <p>Business Interruption - included</p> <p>Deductible - \$10,000 per loss, except: \$50,000 for Marina Docks (Actual Cash Value) \$25,000 for Contractors Equipment</p> <p>Flood Deductible - \$100,000 each property</p> <p>Earthquake Deductible - \$3% Min \$100,000 each premises</p>
Automobile – Replacement Cost Coverage	<p>Replacement Cost Automobile Deficiency Endorsement added to property – provides Replacement Cost – applicable to vehicles up to 20 years.</p> <p>Fire vehicles up to 20 years – Replacement Cost; Over 20 up to 25 years – Guaranteed Amount subject to purchase price or if professional appraisal available</p>	<p>Replacement Cost on vehicles 20 years and newer (leased vehicles are subject to Actual Cash Value)</p> <p>Coverage is only applicable to light and heavy commercial vehicles and trailers that are 20 years or newer</p> <p>Private Passenger & Miscellaneous Vehicles are not covered for Replacement Cost</p>

COVERAGE	MARSH CANADA	INTACT PUBLIC ENTITIES
		Cost of replacing the automobile with new automobile only if you are the original purchaser and the vehicle was new at the time of delivery. If not purchased new, the basis of settlement would be based on the purchase price.
Automobile	Limit of Liability - \$50,000,000 <ul style="list-style-type: none"> • Primary - \$5,000,000 Limit • Deductible (All Perils) - \$10,000 • Umbrella - \$20,000,000 Limit • Excess Umbrella - \$25,000,000 Limit • 21B Blanket Fleet – No Annual Adjustment 	Limit of Liability - \$50,000,000 <ul style="list-style-type: none"> • Primary - \$15,000,000 Limit • Deductible (All Perils) - \$10,000 • First Excess - \$10,000,000 • Second Excess - \$25,000,000 • 21B Blanket Fleet – No Annual Adjustment
Risk Management Services	<ul style="list-style-type: none"> • Contract reviews performed by Halpenny • Aviva has agreed to include Gananoque in their 3 year ARMS strategy starting in 2026 which includes loss control inspections, collecting COPE details and recommending values for replacement cost • Marsh will provide valuations on 1/3rd of the properties over \$750K in value, excluding Water Treatment Plants, in 2025 	Included at No Additional Cost to the Township <ul style="list-style-type: none"> • Asset Valuation and Risk Inspections • Road Risk Assessment • Sidewalk Services • Driver Trainer • Fleet Management Evaluation • MMS Compliance • Education & Seminars • Institute of Municipal Risk Management • Contract Reviews • Policy and Procedural Reviews • Online Resource Library – Risk Management Centre of Excellence • In-house Claims Service