

Jardine Lloyd Thompson Canada Inc.



Public Sector Division
Box 3, Suite 800, 55 University Avenue, Toronto, ON M5J 2H7
Phone: 416 941 9551 **Toll Free:** 800 268 9189 **Fax:** 416 941 9323

MUNICIPAL INSURANCE PROGRAM

PROPOSAL

Corporation of the Town of LaSalle

Date of Issue: December 2, 2016

Prepared by: Jennifer Roach
Direct phone line: 416-644-4818
E-mail address: jroach@jltcanada.com



IMPORTANT – PLEASE NOTE THE FOLLOWING

This proposal should be read in conjunction with the JLT Canada “Business Protocols” booklet.

DUTY OF DISCLOSURE

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

PAYMENT TERMS

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

PERIOD OF VALIDITY OF QUOTE

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

BREACH OF WARRANTY OR SUBJECTIVITY

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

UNDERINSURANCE

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

UNDERWRITING / BINDING AUTHORITY

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

MATERIAL CHANGES FROM EXPIRING POLICY

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

RISK AND CLAIMS INFORMATION

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

Jardine Lloyd Thompson Canada Inc.



**TAXES PAYABLE BY
INSUREDS:**

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

Provincial Sales Tax



SUMMARY OF COVERAGE, LIMITS AND DEDUCTIBLES

Name of Insured: **Corporation of the Town of LaSalle**
 Policy Period: **December 31, 2016 to December 31, 2017**
 12:01 a.m. local time at the mailing address of the Named Insured

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



CANADIAN COUNCILS LIABILITY		
	Non-Owned Automobile (including Contractual Liability for Hired Autos)	\$ 5,000,000 any one Occurrence
	Legal Liability for Damage to Hired Autos	\$ 250,000 any one Occurrence
	Wrap-up Liability – Difference in Conditions and Difference in Limits	\$ 5,000,000 any one Occurrence
ENDORSEMENTS	Endorsement	Limit
	Municipal Errors and Omissions Liability Retroactive Date: Unlimited	\$ 5,000,000 any one Claim and in the Annual Aggregate during the Policy Period
	Environmental Impairment Liability Retroactive Date: Unlimited	\$ 5,000,000 any one Claim and \$ 5,000,000 in the Annual Aggregate during the Policy Period
	Abuse / Molestation Liability Retroactive Date: December 31, 2015	\$ 250,000 any one Claim and \$ 500,000 in the Annual Aggregate during the Policy Period
	Voluntary Compensation	As per Endorsement No. 4 – Schedule of Benefits
	Police Officer Assault	\$ 5,000,000 any one Occurrence
DEDUCTIBLE(S)	Applicable Coverage	Deductible
	Public Entity General Liability	\$ 50,000 per Occurrence except per Claimant in respect of Sewer Backup
	Extensions of Coverage	\$ 50,000 per Occurrence / per Claimant for all Extensions of Coverage except: \$NIL with respect to Non-Owned Automobile Liability, Conflict of Interest and Legal Expense Reimbursement, and Voluntary Compensation; \$ 1,000 with respect to Legal Liability for Damage to Hired Autos \$ 5,000 with respect to Wrongful Dismissal (Legal Expense)
	Municipal Errors and Omissions Liability	\$ 50,000 per Claim
	Environmental Impairment Liability	\$ 25,000 per Claim
	Abuse / Molestation Liability	\$ 50,000 per Claim
	Police Officer Assault	\$ 50,000 per Occurrence



CANADIAN COUNCILS LIABILITY							
ENDORSEMENTS	<p style="text-align: center;">3 Year Long Term Agreement Primary CAD 5,000,000 / CAD 50,000 Deductible</p> <p>The policy will be renewed annually for a period of three years expiring on 01 January 2020 on the existing terms and conditions with the premiums paid annually in advance, as follows:-</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">01 January 2017 to 01 January 2018</td> <td style="text-align: right;">CAD 361,095 (Gross)</td> </tr> <tr> <td>01 January 2018 to 01 January 2019</td> <td style="text-align: right;">CAD 361,095 (Gross)</td> </tr> <tr> <td>01 January 2019 to 01 January 2020</td> <td style="text-align: right;">CAD 361,095 (Gross)</td> </tr> </table> <p>However terms and conditions may be reviewed 60 days prior to annual renewal if any of the following apply:</p> <ul style="list-style-type: none"> • Pertinent changes in reinsurance cover • there is an increase of 15% or more in population numbers • there are legislative changes that may impact upon the value or frequency of claims against the policy • there is a change in the exposure of the insured (as per the business description) or; • the value of Incurred Claims exceeds 40% of net premium (excluding Taxes) for any one Period of Insurance to which this agreement relates. • there has been significant adverse development on historical loss record in any of the prior 7 policy years whereby Incurred Claims exceed 50% of the Net Premium. <p>The term "Incurred Claims" means the total cost of claims including actual claim payments (including medical, legal and other costs and expenses) and reserves set by the Insurers on outstanding claims (also including such costs and expenses). "Net Premium" means the premium received by the Insurers net of tax and any commissions or other deductions.</p> <p>All other terms and conditions remain unaltered.</p>	01 January 2017 to 01 January 2018	CAD 361,095 (Gross)	01 January 2018 to 01 January 2019	CAD 361,095 (Gross)	01 January 2019 to 01 January 2020	CAD 361,095 (Gross)
01 January 2017 to 01 January 2018	CAD 361,095 (Gross)						
01 January 2018 to 01 January 2019	CAD 361,095 (Gross)						
01 January 2019 to 01 January 2020	CAD 361,095 (Gross)						
POLICY FORM	EK1601219000 (2016) UMR B0901EK1601219000						
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	Certain Lloyd's Underwriters (Syndicate 1886) – 100%						
SUBJECT TO	<ol style="list-style-type: none"> 1. Abuse & Molestation – background checks in place for employees implemented into hiring process 2. Terms will remain as indicated subject to no claims deterioration as of December 31, 2016. 						



CANADIAN COUNCILS LIABILITY	
CHANGES FROM EXPIRING POLICY	<ol style="list-style-type: none">1. UMR No. B0901EK16012190002. Forest Fire Fighting Expense Limit increased from \$1,000,000 to \$2,000,000 any one Occurrence and in the annual aggregate during the Policy Period3. Wrongful Dismissal (Legal Expense) Limit increased from \$250,000 any one claim / \$500,000 in the annual aggregate during the Policy Period to \$500,000 any one claim / \$500,000 in the annual aggregate during the Policy Period4. Conflict of Interest Reimbursement Expenses and Legal Expense Reimbursement Expenses split into two separate limits and non-aggregated for Conflict of Interest5. A new Wrap-Up Liability DIC/DIL extension of cover has been added6. Police Officer Assault Endorsement has been included into the Policy Wording



CANADIAN COUNCILS UMBRELLA LIABILITY															
LIMITS OF LIABILITY	\$ 45,000,000 any one Occurrence \$ 45,000,000 in the Annual Aggregate in respect of Products & Completed Operations \$ 45,000,000 in the Annual Aggregate in respect of Municipal Errors and Omissions Liability \$ 45,000,000 in the Annual Aggregate in respect of Employee Benefits Liability														
EXCESS OF UNDERLYING COVERAGE(S) AND LIMIT(S)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Underlying Coverage</th> <th style="text-align: left;">Underlying Limit</th> </tr> </thead> <tbody> <tr> <td>General Liability</td> <td>\$ 5,000,000 any one Occurrence</td> </tr> <tr> <td>Incidental Medical Malpractice</td> <td>\$ 5,000,000 any one Claim</td> </tr> <tr> <td>Non-Owned Automobile Liability</td> <td>\$ 5,000,000 any one Occurrence</td> </tr> <tr> <td>Municipal Errors & Omissions Liability</td> <td>\$ 5,000,000 any one Claim</td> </tr> <tr> <td>Owned Automobile Liability</td> <td>\$ 5,000,000 any one Occurrence</td> </tr> <tr> <td>Employee Benefits Liability</td> <td>\$ 5,000,000 any one Claim</td> </tr> </tbody> </table>	Underlying Coverage	Underlying Limit	General Liability	\$ 5,000,000 any one Occurrence	Incidental Medical Malpractice	\$ 5,000,000 any one Claim	Non-Owned Automobile Liability	\$ 5,000,000 any one Occurrence	Municipal Errors & Omissions Liability	\$ 5,000,000 any one Claim	Owned Automobile Liability	\$ 5,000,000 any one Occurrence	Employee Benefits Liability	\$ 5,000,000 any one Claim
Underlying Coverage	Underlying Limit														
General Liability	\$ 5,000,000 any one Occurrence														
Incidental Medical Malpractice	\$ 5,000,000 any one Claim														
Non-Owned Automobile Liability	\$ 5,000,000 any one Occurrence														
Municipal Errors & Omissions Liability	\$ 5,000,000 any one Claim														
Owned Automobile Liability	\$ 5,000,000 any one Occurrence														
Employee Benefits Liability	\$ 5,000,000 any one Claim														
RETAINED LIMIT	\$ Nil														
ENDORSEMENTS	Endorsement #1 - Standard Excess Automobile Liability Policy SPF No. 7 Follow Form Named Insured														
POLICY FORM	EK1500547000 (2015) UMR B0901EK1601216000														
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	Certain Lloyd's Underwriters (Syndicate 1886) – 100%														
SUBJECT TO	Terms will remain as indicated subject to no claims deterioration as of December 31, 2016.														
CHANGES FROM EXPIRING POLICY	UMR No. B0901EK1601216000														



EXTENSIONS OF COVERAGE CONTINUED	The Limits shown below are in addition to the Blanket Limit shown above:	
	Extension	Limit
	Master Key	\$ 10,000
	Land and Water Pollution Clean Up Expense	\$ 100,000
	Stock Spoilage	\$ 100,000
	Consequential Damage	\$ 100,000
	Off Premises Service Interruption	\$ 1,000,000
	Exhibition Floater	\$ 100,000
	Ammonia Contamination	\$ 500,000
	Water Escape	\$ 500,000
	Hazardous Substance	\$ 500,000
	Property of Councillors', Board Members' and Employees'	\$ 5,000 any one loss (\$25,000 maximum annual policy limit)
ENDORSEMENTS	Automobile Replacement Cost Deficiency Endorsement	
DEDUCTIBLE(S)	\$ 25,000 each Occurrence for All Losses except: \$ 1,000 each Computer/Electronic Data Processing loss \$ 50,000 each Flood Loss 5% of total loss or \$100,000 minimum, whichever is greater, each Earthquake occurrence. (Ontario/Atlantic Provinces) \$ 1,000 each Fine Arts Loss	
POLICY FORM	Municipal Insurance Program - Master Policy (August 15, 2014)	



<p>INSURER(S) AND PROPORTION OF PARTICIPATION(S)</p>	<p>Physical Damage:</p> <p>Aviva Insurance Company of Canada – 70%</p> <p>The Sovereign General Insurance Company – 12.2%</p> <p>Certain Lloyd's Underwriters - 17.8% <i>(Participation of Lloyd's Underwriter is based on Blanket Limit and Limits in Addition to the Blanket Limit)</i></p> <p>Machinery Breakdown:</p> <p>Aviva Insurance Company of Canada – 100%</p>
<p>SUBJECT TO</p>	<ol style="list-style-type: none"> 1. All cooking facilities are ULC wet chemical compliant with semi-annual maintenance contract and Class K portable extinguisher. 2. Unless specifically agreed, all heritage properties are covered for Replacement Cost only. For Heritage Replacement Cost, a professional appraisal must be provided for approval by the insurer. 3. All locations may be subject to Engineering Inspection. 4. Terms will remain as indicated subject to no claims deterioration as of December 31, 2016.
<p>CHANGES FROM EXPIRING POLICY</p>	<p>UMR No. B0901EG1600053000</p>



COMPREHENSIVE CRIME	
LIMITS	\$ 1,000,000 Employee Dishonesty – Form A \$ 200,000 Broad Form Loss of Money (Inside Premises) \$ 200,000 Broad Form Loss of Money (Outside Premises) \$ 200,000 Money Orders & Counterfeit Paper Currency \$ 1,000,000 Depositors Forgery \$ 200,000 Professional Fees / Audit Expenses \$ 200,000 Computer Fraud or Funds Transfer Fraud
DEDUCTIBLE	\$Nil per Loss
POLICY FORM	Master Crime Wording (Apr. 2012)
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	Aviva Insurance Company of Canada – 100%
SUBJECT TO	Important: 1. Bank Accounts NOT being reconciled by the same person(s) authorized to deposit and withdraw funds. 2. All cheque requisitions and issued cheques containing dual signatures. If the above is not part of your internal Financial controls, please provide explanation(s). 3. Terms will remain as indicated subject to no claims deterioration as of December 31, 2016.



AUTOMOBILE INSURANCE (ONTARIO)

COVERAGE APPLICABLE	Liability – Bodily Injury / Property Damage	Limit: \$5,000,000 Deductible: \$50,000
	Accident Benefits – Basic Benefits	Limit as stated in Policy Deductible: \$50,000
	Uninsured Automobile	Limit as stated in Policy
	Direct Compensation – Property Damage	Limit as stated in Policy Deductible: \$ 50,000
	Loss or Damage – All Perils	Deductible: \$ 50,000
ENDORSEMENTS	<p>Notice of Cancellation Ninety (90) Days</p> <p>OPCF 43R Removing Depreciation Deduction- 24 Months New OPCF 20 Loss Of Use – Applicable to Thirty-Five (35) Light Units OPCF 21B Blanket Fleet Endorsement – No Annual Adjustment OPCF 31 Non-Owned Equipment OPCF 24 Freezing of Fire-Fighting Apparatus OPCF 44 Family Protection Endorsement: (Applicable only to Private Passenger Vehicles, Light Commercial Vehicles, Skidoos and All Terrain Vehicles, and Police Vehicles) <u>Additional Endorsements:</u> OPCF 3 Drive Government Automobiles OPCF 4A Permission to Carry Explosives OPCF 4B Permission to Carry Radioactive Material OPCF 5 Permission to Rent or Lease OPCF 32 Use of Recreational Vehicles by Unlicensed Drivers</p> <p>Tarmac Exclusion</p>	
POLICY FORM	Provincial Statutory Owner’s Policy	
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	Aviva Insurance Company of Canada – 100%	
SUBJECT TO	<ol style="list-style-type: none"> 1. Provision of updated drivers list to insurer. 2. Terms will remain as indicated subject to no claims deterioration as of December 31, 2016. 	



CHANGES FROM EXPIRING POLICY

Effective June 1, 2016 changes have been made by FSCO to all Auto Policies in Ontario. Changes are noted below and additional premiums are quoted on the Options page of this proposal.

Benefit	Current Policy	New Policy	Options:
Medical and Rehabilitation for non-catastrophic injuries	\$50,000	These benefits have been combined and reduced to \$65,000 total	Increase the benefit to \$130,000 total
Attendant Care for non-catastrophic injuries	\$36,000		
Medical and Rehabilitation for catastrophic injuries	\$1,000,000	These benefits have been combined and reduced to \$1,000,000 total	Add additional \$1,000,000 for total of \$2,000,000 for catastrophic injuries
Attendant Care for catastrophic injuries	\$1,000,000		
Medical and Rehabilitation and Attendant Care, all injuries	Not applicable	Not applicable	Increase the combined non-catastrophic benefit to \$1,000,000 and the combined catastrophic benefit total to \$2,000,000

Complete details can be found on the Insurance Bureau of Canada website at www.ibc.ca/on



COUNCILLORS' ACCIDENT COVERAGE	
LIMITS OF COVERAGE	\$ 250,000 Principal Sum
INCLUDED COVERAGE	Number of Councillors: Seven (7)
	24 Hour Coverage
POLICY FORM	Insurer's Standard Form
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	AIG Insurance Company of Canada – 100%
SUBJECT TO	\$2,500,000 Aggregate Limit of Indemnity Per Accident
	Terms will remain as indicated subject to no claims deterioration as of December 31, 2016.



MUNICIPAL VOLUNTEERS ACCIDENT COVERAGE	
LIMITS OF COVERAGE	\$ 50,000 Principal Sum – Volunteers of the Policyholder While on Duty Only under the age of 80
POLICY FORM	Insurers Standard Form
INSURER(S) AND PROPORTION OF PARTICIPATION(S)	AIG Insurance Company of Canada – 100%
SUBJECT TO	\$1,000,000 Aggregate Limit of Indemnity Per Accident Terms will remain as indicated subject to no claims deterioration as of December 31, 2016.



RISK MANAGEMENT	
ELECTED OFFICIAL, DIRECTORS AND DEPARTMENTAL SEMINARS	Included
AUTOMOBILE FLEET SERVICES	Risk and Driver Assessment included

PREMIUM SUMMARY	
TOTAL ANNUAL PREMIUM (OPTIONS NOT INCLUDED)	\$ 503,851 plus any applicable provincial sales tax



MUNICIPAL OPTIONS	
Employment Practices Liability	Limit: \$250,000 Each Claim & Aggregate SIR: \$5,000 Application required in order to quote Insurer: Creechurch International – Beazley Group 100% Amended Other Insurance Clause – QBE Primary Insurer with respect to Wrongful Dismissal Legal Expense Limit \$250,000 Any One Claim & Aggregate During the Policy Period Minimum Retained Premium: 20% of Annual Premium
Automobile Insurance	To Add Limit \$2,500 / Daily Maximum \$1,500 Loss of Use to Thirteen (13) heavy commercial vehicles over 4,500 kgs, excluding Public Emergency Vehicles ie: Fire, Ambulance and Police, and Transit Vehicles – Annual Additional \$3,900 Additional Limits available in \$500 increments up to a maximum of \$10,500 – Quotation available upon request.
Out of Province Emergency Medical	Based on Seven (7) Members – under the age of 80 – Annual Additional \$420 To increase the Trip Duration from 15 days to 30 days – Annual Additional \$490
Public Entity Recovery Assistance Plan (Critical Illness)	Based on Seven (7) Members – age 69 or less \$5,000 limit – Annual Additional \$764 \$10,000 limit – Annual Additional \$1,195
Volunteer Fire Fighters Accident	Quotation available upon request.
Municipal Volunteers Accident	Principal Sum \$50,000 – Annual Additional \$750

Year	2015-2016	2016-2017	Premium/Rate Difference
Population- Liability	27,700	27,700	0
Deductible	50,000	50,000	
Premium:	343,900	361,095	17,195
Automobile - Number of Vehicles	93	100	7
Deductible	50,000	50000	
Premium:	45,727	53,106	7,379
Blanket Property Limit	77,898,000	81,612,160	3,714,160
Deductible	25,000	25,000	
Premium:	54,083	53,937	-146
Environmental Liability Premium	7,500	7,500	0
Crime Premium	1,000	1,000	0
Umbrella Liability Premium	24,930	24,930	0
Councillors Accident	1,533	1,533	0
Volunteer Accident	750	750	0
TOTAL PREMIUM	479,423	503,851	24,428
Overall Percentage Change		5 %	
As of:			