

THE INCORPORATED SYNOD OF THE DIOCESE OF HURON
SUMMARY OF DIOCESAN INSURANCE PLAN
 [Replacing Pages F-1(a) to F-1...g]

Term: December 31, 1998 to December 31, 1999

NOTE: This Summary has been compiled to provide a quick and easy reference to the main features of the Diocesan Insurance Plan. It **DOES NOT** include all the terms, conditions and exclusions of the various policies. If a more detailed explanation of your insurance protection is required, or to report any claims, please contact the London Office of Aon Reed Stenhouse Inc., One London Place, Suite 1400, 255 Queens Avenue., London, Ontario N6A 5R8

TELEPHONE (519) 433-3441 OR TOLL FREE 1-800-265-1231

PHYSICAL DAMAGE

1. Property Insured

- (a) All properties (building and contents) that are owned by the Diocese and/or the Parish.
- (b) Personal property of Officers, Volunteers or Employees - \$50,000. This extension only applies to personal effects **located at the church premises or used in connection with church activities.**

2. Perils Insured Against

All Risks coverage of direct physical loss or damage to insured property. This is a broad form of insurance and includes, but is not limited to, such perils as fire, windstorm, lightning, water escape, theft, vandalism, collapse of buildings, vehicle impact, flood and earthquake.

3. Special Extensions in Coverage

- (a) Newly acquired property is automatically covered for full replacement value up to 60 days. If you fail to notify us of the acquired property **within 60 days** then the limit under the policy will be reduced to \$100,000.
- (b) Reproduction of valuable papers and records.
- (c) Extra and Expediting Expense to carry on normal community services.
- (d) Trees, shrubs and plants - \$100,000. limit per loss - \$1,000. limit any one tree, shrub or plant.
- (e) Increase in replacement cost due to By-Laws limit.
- (f) Permission granted to carry on construction or alterations.
- (g) Loss of rental income or reduction in Church collections caused by an insured peril - \$100,000. limit.
- (h) Data Processing Equipment and Media.

PHYSICAL DAMAGE

3. Continued
 - (i) Lock and Key insurance - \$10,000. limit.
 - (j) Accounts Receivable - \$50,000. limit.
 - (k) Consequential Loss - \$10,000. limit.

Some Important Exclusions

- (a) The policy **DOES NOT COVER** loss or damage caused by war; radioactive contamination; mechanical breakdown; pollution; wear and tear; rodents; vermin and insects.
- (b) Property **NOT COVERED** includes licensed vehicles, aircraft and property otherwise more specifically insured.

5. Deductible *

The sum of \$1,000. is deducted from all losses except in the following situations where a larger deductible applies:

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|------------------------------------|----|-----------|---------------------------|
| (a) Back-up of sewers or drains: | \$ | 1,000. | deductible |
| (b) Flood damage by surface water: | \$ | 5,000. | deductible per occurrence |
| (c) Earthquake damage: | | \$25,000. | deductible per occurrence |

*NOTE: The first \$500. Of the General Deductible will be paid by the Parish, the remainder will be paid out of the Diocesan Aggregate Deductible Fund.

6. Loss Settlement

Claims are settled on a Replacement Cost basis without deduction for depreciation.

CRIME INSURANCE

1. Money and Securities

\$20,000. limit inside and outside the premises

This insurance covers against theft of money and securities from within any parish building, theft from a banking premises or bank night depository and theft while in the care or custody of a duly authorized person.

There is a \$500. deductible applying to all losses arising from one occurrence.

CRIME INSURANCE

2. Blanket Fidelity Bond

- (i) \$500,000. limit covering dishonest or fraudulent acts committed by any employee or volunteer of the Diocese. Deductible: \$5,000. per loss.
- (ii) \$ 50,000. limit - depositors forgery coverage.
- (iii) \$ 50,000. limit - money orders and counterfeit paper currency coverage.

COMPREHENSIVE BOILER AND MACHINERY INSURANCE

1. Coverage

A broad form of insurance is provided on all boilers, other pressure vessels, (e.g., hot water tanks), machinery objects and miscellaneous electrical apparatus. Coverage is provided against such perils as explosion, bulging, cracking or burnout. The insurance is subject to replacement cost coverage which eliminates the high depreciation rate frequently found on boilers.

2. Limit

- (a) All properties having boilers or pressure vessels are automatically insured for their full value subject to a limit per accident of \$10 million at any one location.
- (a) Extra Expense - \$100,000. limit.
- (a) Gross Rentals - \$50,000. limit.
- (d) Church Income - \$50,000. limit.

3. Deductible

- (a) Nil deductible on pressure objects (e.g. heating boilers, hot water tanks, etc.)
- (b) \$500. deductible on machinery objects (e.g. compressors, motors, transformers, electrical apparatus, etc.)

4. Inspection Service

In Ontario, the Department of Labour requires a periodic inspection of boilers and certain other pressure vessels. The Boiler Insurance company undertakes this inspection service and will provide a certificate which should be posted in the boiler room.

LIABILITY INSURANCE

1. Persons Insured

- (a) The Incorporated Synod of the Diocese of Huron and the Parishes within the Diocese.
- (b) All clergy in the Diocese, board members, organizations, committees, volunteers and employees who manage, control or supervise any parish activity or who are directly or indirectly subject to the control of the Diocese at the time of the occurrence.

2. Policy Limits - \$25 million - This is a combination of Primary and Excess Liability policies.

3. Coverages

- (a) Personal Injury and Property Damage
- (b) Non-Owned Automobile
- (c) Medical Payments - \$25,000. limit.
- (d) Voluntary Compensation insurance for employees and volunteer workers of a parish.
- (e) Worldwide
- (f) All properties, operations and activities of the Diocese or parish including rallies, bazaars and picnics.
- (g) Tenants Legal Liability - \$500,000. limit
- (h) Contractual Liability
- (i) Church Counseling Liability including Volunteer Nursing Programs.
- (a) Employers Liability - \$2,000,000. limit
- (k) Wrongful Dismissal - \$500,000. limit
- (l) Directors and Officers Liability - \$2,000,000. Limit

4. Deductible

- (a) Each claim for Property Damage is subject to a deductible of \$500.
- (b) Directors & Officers - Subject to a deductible of \$1,000.

5. Some Important Exclusions

- (a) Generally speaking, all claims that fall under the Workers' Compensation Act
- (b) Intentional bodily injury
- (c) Owned automobiles (licensed for road use) and aircraft
- (d) Watercraft over 50 feet in length

GENERAL INFORMATION

1. Claims

All claims should be reported promptly by telephone to Aon Reed Stenhouse Inc.:

Attention: Audrey Francis
Telephone 519 - 433-3441 or 1-800-265-1231 for long distance (toll free).
Mailing Address: One London Place, Suite 1400
255 Queens Avenue
London, Ontario N6A 5R8

LOSS PREVENTION AND SAFETY RECOMMENDATIONS

- (a) Offertory collections should be counted promptly and not kept overnight on the premises. Use of a bank night depository is urgently recommended.
- (b) P.A. System (microphones and amplifiers) if not permanently fixed, should be removed and stored in a safe place when not in use.
- (c) The outside of the premises should be lighted at night as a precaution against theft and vandalism.
- (d) Arson is a major cause of large church fires. Keep all doors locked to those sections of the buildings where the public should not have access, e.g., sacristy, rectory, storage areas and basement. Consideration should be given to installing an intrusion alarm system.
- (e) Make an inventory of all contents - contact us for specially designed church inventory form. Valuable target items should be marked with an engraving pencil, also available from our office.
- (f) Extinguish all candles and remove matches when service is over.
- (g) Small fires can quickly become major fires. Consideration should be given to installing an automatic fire detection system in the Church.
- (h) Make sure that fire extinguishers are checked regularly and are in proper working order.
- (i) Maintain good housekeeping habits. Keep the property clean and tidy and ensure that rubbish and unnecessary combustible materials are not allowed to accumulate.
- (j) Heating and electrical systems can be fire hazards. They should be thoroughly inspected by a qualified contractor every three years and kept in good repair.
- (k) Many injuries and subsequent liability claims are caused by "slips and falls". Extra care and attention should be given to liability hazards such as faulty or slippery stairs, icy parking lots and sidewalks, worn carpets, inadequate lighting, etc.

12-1...6

Diocese of Huron PERSONAL PROPERTY TIPS

Please ensure that you have your own adequate personal contents coverage to cover personal items in your home, car, or in the church somewhere. To support this coverage, some edited practical suggestions by Rev. Canon Christopher and Carolyn Pratt follow:

Preparation before any loss of personal property occurs

- ❶ Have a written inventory of items. Include:
 - (a) description of item
 - (b) manufacturer or brand name
 - (c) serial or model number
 - (d) date of purchase or age
 - (e) original cost
 - (f) replacement cost (at today's prices). This is usually quite a bit higher than your original price and may surprise you. If your household contains items inherited from family or given to you as gifts, you may be amazed at the cost of replacing such items new today.
- ❷ Take a video of each room in your home, showing pieces of furniture, floor coverings, window treatments (curtains, blinds, etc...); open the drawers and closets to show quantity of clothing, lay out silverware and jewellery, china pattern, etc... to get details.
- ❸ Take photographs throughout your home as above.

Keep the inventory, video and/or photographs in a place away from your residence, i.e. a family member's home, safety deposit box at the bank, or even at your lawyer's office.

Review your insurance coverage. Review what is covered in case of loss. Coverage for "additional living expenses" covers rent, emergency clothing (initial), hotel bills (emergency), and any expenses over and above "normal" incurred from the time of loss to moving back home. Costly activities may include paying a company to remove all contents from the home, sort them, clean them, dispose of damaged goods, and store them; as well as refinish wood furniture.

12 - 1...7

Prevention we all know about

Smoke detectors throughout your home, and change batteries regularly (only a functioning smoke detector can protect you). Consider smoke detectors electrically wired throughout the home, with battery back-up in case of a power failure.

Carbon monoxide detectors near furnace, fireplace, bedrooms.

Have a multi-purpose dry chemical fire extinguisher available.

Have rescue equipment such as rope ladders for upper windows.

Have a family escape route planned for all areas of your home.

Inform your overnight guests of location of rope ladders, your escape routes, etc...

Thoroughly check your electrical system, practice safety tips like not overloading extension cords, proper fuses, and have all electrical work done by a certified electrician.

Remove obstructions from doors and windows needed for escape.

In the event of a loss:

- ① Call your insurance broker, who will give you direction and contact the adjuster.
 - ② Pray, stay calm.
 - ③ Look after your health.
 - ④ Try to think clearly and logically and be organized.
 - ⑤ Keep every receipt in a large envelope.
 - ⑥ Use one credit-card for ease of receipt - keeping.
 - ⑦ Write everything down in a notebook - so much information comes in at once when the shock is in its full force. You will need to refer back to your notes many times.
 - ⑧ Be open to accepting offers of help - food, clothing, errands, making phone calls.
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