



Probus Centre-Canada Sponsored D&O Insurance Program for Probus Clubs

Answers to Frequently Asked Questions

Who is Integro Insurance Brokers?

Integro is in its seventh year of operations and was created to provide insurance advice and broking services to businesses with complex and diversified property and casualty commercial risk exposures. Integro's service and advice is delivered to clients through industry specialists reinforced by risk practice networks (e.g. Property, Casualty, Management and Professional Liability, Environmental, Capital Investment and Mergers & Acquisitions) implemented geographically through local service teams. Through our team of specialized insurance experts, including insurance brokers, and former adjusters, risk managers, insurance underwriters and private-practicing lawyers, we design and deliver innovative risk transfer solutions in the field of property and casualty insurance and combine it with superior service.

What does Directors' & Officers' Insurance cover that General Liability Insurance does not?

General Liability Insurance is typically the primary form of insurance that most companies will purchase. In general terms, GL Insurance is a policy that covers the Insured (in this case Probus-Centre Canada and all of the affiliated Canadian Clubs) for claims arising from the Insured's liability due to damage or injury (caused by negligent acts, errors or omissions) during the performance of the Insured's business. In other words, if a person (whether a Member or Member's guest) is injured at a Probus Club sponsored event, the Probus General Liability policy is designed to respond to defend the claim and pay any settlement or damages associated with the claim. "Slip and fall" injury claims tend to be the most common examples of where a GL policy will respond.

For instance, a person attends a Probus sponsored event, such as a bridge tournament, at a Club Member's home and is somehow injured – they slip and fall while at the event. The GL policy should respond if a claim were to be brought against the Probus Club and/or the host Member. Most critical to accessing the coverage is that the injury takes place at or during a Probus sponsored event. Incidentally, we are careful to say that the GL policy "should" respond because of course every claim scenario is specific and we cannot guarantee that coverage will be afforded (we are the insurance broker and not the insurer). As Probus' insurance broker, we would of course advocate strongly on any Club's behalf and exhaust all avenues available to secure as positive a claim recovery result as possible.

Directors' and Officers' Liability Insurance ("D&O Insurance") is a specialized form of insurance coverage. D&O Insurance is typically designed to protect the management team of a corporation (be it for-profit or not-for-profit) for claims made against it pertaining to negligent acts, errors and/or omissions in the performance of their management duties. In other words, all directors and officers are, generally speaking, required to perform management duties and act in the best interests of the corporation. As applied to Probus, should someone (be it a third party or another Probus Club Member) accuse the Probus Club's management team of failing to manage the Probus Club in an appropriate manner and sue the management team, then the D&O Insurance policy is designed to respond by paying for the defence and any settlement or damage award associated with the claim.

Who is covered under a Directors' & Officers' Liability Insurance Policy?

The D&O policy that Integro has negotiated on behalf of each Probus Club has a broad definition of "Insured Person". It includes not only directors and officers but it also extends to cover volunteers and members of any duly constituted committee.



If we change the directors and officers mid-term, do we have to notify you?

No! D&O Insurers will take a “snap shot” of the board at each policy renewal. Should they have any questions in regards to the board’s composition mid-term, then they will ask. Should directors or officers change mid-term, the definition of “Insured Person” is once again broad enough to include any individual who “was, is or shall be” a director or officer. The same hold true for volunteers and members of committees not having to be reported mid-term of the policy. In this regard, and from a risk management perspective, it would be prudent for each Probus Club to keep some form of official register as to who has been elected to what position and when.

What is the process for obtaining D&O Insurance?

As far as the various steps needed to bind the coverage, they are as follows:

1. Have a member of the Probus Club’s management team (e.g. President, Treasurer, etc.) **complete the Encon D&O Application Form** (send us an email and we will send you a copy), print it, sign it, date it;
2. **Return your completed Application to Integro Insurance Brokers.** The Application can either be mailed, faxed or scanned and emailed.
3. When returning the completed Application, please be sure to instruct us to: (A) Bind Coverage; and (B) Provide us with the specific date that you wish your coverage to begin (e.g. **please write: “Please Bind Coverage as of [then provide the specific date]”**).
4. You are welcome to **send you payment along with your Application** (see below for costing details). If you do, we will simply hold on to your cheque until we generate and send you your invoice (along with your Policy of Insurance). Alternatively, you can await the receipt of your invoice and then arrange for payment within 30 days
5. Payment Cheques should be made out to:

Integro (Canada) Ltd.

and mailed to:

Integro Insurance Brokers
4800 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1E8

6. Upon receiving your Completed Application and Instruction to Bind Coverage, we will send you your Certificate and Policy of Insurance (usually within a few days of receiving your Application). Your invoice will also be sent at the same time.



The Application is complicated! What if certain questions do not apply? Do I have to complete every question?

We have received all manner of Applications from the many Clubs that have now purchased the D&O insurance coverage so far – some Clubs include many attachments and others send us just the 4 pages completed! Keep in mind two things: Firstly, the application is a generic “one-size-fits-all” form and is used for both large-scale and smaller not-for-profit companies. Probus Clubs are on the smaller scale and as such, you should not feel compelled to provide every last bit of information! Secondly, given that each Probus Club is very similar in structure and in what they do, Encon has effectively already underwritten each Club. Therefore, the Application, while important, is more administrative.

If your Club’s financial information is easily accessible, that is probably the most significant. Corporate by-laws and incorporation dates (if you are even incorporated) are not mandatory. Questions about Employees and Benefit Plans and Other insurance purchased (Questions 7, 8, 9, 10 and 11) can be ignored.

What is the Cost of the D&O Insurance Coverage?

The D&O Insurance Program for Probus has been created with a common renewal date for all Clubs of December 31st. As such, the standard Program rate of \$300 (+ tax for Clubs in Ontario and Quebec) is prorated depending upon when your Club purchases the insurance. Here is the costing formula for the coverage based upon when it is purchased:

Date Insured	Pro-rated premium
Jan 1 - Jan 31, 2012	\$275 + 8% tax
Feb 1 – Feb 29, 2012	\$250 + 8% tax
March 1 – March 31, 2012	\$225 + 8% tax
April 1 – April 30, 2012	\$200 + 8% tax
May 1 – May 31, 2012	\$175 + 8% tax
June 1 – Dec 31, 2012	\$150 + 8% tax

What will happen on December 31st when the policy is set to renew?

In advance of December 31st, the last person who received our email with the Club's policy of insurance and invoice will receive a communication from Integro regarding the upcoming D&O insurance renewal and what will happen.

Where can additional information, regarding the insurance program, be obtained?

Please contact Patrick Bourk at Integro Insurance Brokers for more details:

Email: patrick.bourk@integrogroupp.com Tel. (416) 619-8097 Toll Free 1-866-791-0055 Fax: (416) 619-8098