

Insuring Your WORLD

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Committed to Insuring Your World.

It's Our 60th Anniversary!

In 1946, Sid McLennan started a personal insurance brokerage on King Street in downtown Kitchener. Sixty years later, we're still providing the same personal service and uncompromising commitment to quality.

In 1981, when Cameron Yule joined the firm, it was called McLennan Roelefson & Associates. In 1982, it became McLennan and Associates and Barbara Thomas joined the finance department. The office was at 86 Queen Street, where Lackner, McPhail, St Hill had a life and group benefits office upstairs. Soon the two businesses merged, forming Lackner McLennan Insurance Inc. The firm moved to larger offices at the Prudential Centre and Cynthia Roth joined the Commercial Lines Department.

Through the 1980's, Lackner McLennan grew into a large, multidisciplinary office and in 1989, David Stark was hired as an associate producer.

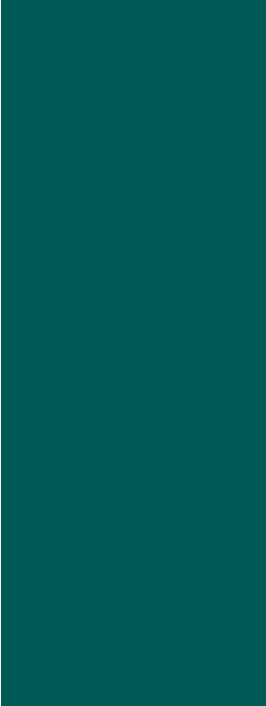
In 1992, the property and casualty business formed its own company, called Lackner McLennan Insurance Ltd., with three partners: Brian McLaughlin, Cameron Yule and Cynthia Roth. Now at 450 Frederick Street, the new company had 14 employees and \$6,000,000 in written premiums. In 1994, David Stark became a Partner, followed by Barbara Thomas in 1995. And, in 1996, the firm surpassed the \$10,000,000 mark in written premiums!

Lackner McLennan has continued to grow as a result of our long-standing relationships with clients like you - in 2004 we surpassed the \$20,000,000 mark in written premiums. Last year, Steve Bleizeffer became the firm's fifth Partner. Today, as we celebrate our 60th anniversary, we'd like to take this opportunity to thank you for your business - and for giving us the privilege of insuring your world!

In this issue:

- UN-eventful Events
- Thinking of Becoming a Director?
5 Key Things You Should Know
- Risk Management





UN-eventful Events

With warmer weather on its way, spring and summer event planning will begin for many businesses. As an event manager/operator or an event sponsor, it's important to understand the risks associated with special events.

During an event, as an occupier of the premises at which it is held, your business is responsible for the safety of those who attend. It is critical to understand the risks involved.

One risk is injury to employees, volunteers and people who attend the events, because events often include high-risk activities such as alcohol service, fireworks, children's rides/games, etc. The second major risk is financial - events usually require a large amount of funding that must be administered with care. Events may also be unexpectedly cancelled due to weather or other unforeseen events.

During an event, as an occupier of the premises at which it is held, your business is responsible for the safety of those who attend, so it is critical to understand the risks involved such as:

- *Food: risks exist when food is cooked and/or served, including employee/volunteer injuries (burns, etc.), food poisoning, fires, etc.*
- *Travel: risks associated with travel can include accidents, delays, passenger safety, etc.*

- *Outdoors Events: risks of poor weather and the use of structures such as tents.*
- *Alcohol: high levels of risk are involved when alcohol is served - check local licensing requirements for specific details and check with Lackner McLennan. You may be able to obtain a special policy to cover your event.*
- *Minors and children: events with minors in attendance require more supervision and security.*
- *Cash on site: financial management must be considered if cash is present as theft is a serious issue.*

During the event planning process, contact your municipal government and the provincial government for all licensing and permit requirements. Then, be sure to contact your Lackner McLennan Insurance representative to let him or her know all the details of the event and confirm that your commercial insurance policy provides sufficient coverage or ask about additional coverage requirements.

Thinking of Becoming a Director? 5 Key Things You Should Know

Accepting a directorship can be rewarding for senior managers and executives. However, before accepting a directorship, ensure you are aware of the responsibility, accountability and potential liability that goes along with the role.

As a Director, your duties include:

- *Duty of Diligence (Duty of Care): acting reasonably, in good faith and in the organization's best interest.*
- *Duty of Loyalty: placing the interest of the organization before your own.*
- *Duty of Obedience: acting within the organization's applicable rules and laws.*

Even though Directors are not involved in the day-to-day business of the organization, they can still be liable for:

- *Failure to act as stated under a statute. For example, a statute may require Directors to file a report or maintain certain records and you cannot fail to do so.*
- *Non-compliance of the organization with a statute. For example, the Director may be liable for mismanagement, financial losses, wrongful dismissal, employee discrimination or failure to remediate environmental damage.*

Before accepting a Directorship, there are 5 key things you NEED to know:

1. As a Director, you can be held personally liable.
2. Ignorance is not a defense.
3. Resignation is not necessarily a defense.
4. Board indemnity may not be enough.
5. Directors may be deemed liable for nonperformance.

If you are considering a directorship, consult a lawyer for more information on Directors' and Officers' legal liability.



Risk Management

Most large organizations have detailed risk management policies and processes in place, but many small-to-medium sized businesses have never addressed the issue in a formal way.

The extent to which small to medium-sized businesses need to invest time and resources into risk management should be determined based on the degree of exposure. For example, a service business with a single office facility is exposed to far less risk than a business with an office, a manufacturing facility and a fleet of delivery vehicles.

The following Risk Management Checklist is provided by the Insurance Bureau of Canada. While the elements of the list apply to most businesses, you need to realistically assess the degree to which they apply to yours.

Risk Management Check List

- *Develop and implement an Inspection and Maintenance Policy. It should state: The purpose of the policy;*
 - *Effective and revision dates of the policy;*
 - *How often it is to be carried out;*
 - *How it will be documented, and by whom;*
 - *Corrective actions to be taken if minimum standards are not met; and*
 - *Who is responsible?*
- *Use a regular and reasonable cleaning and maintenance program.*
- *Perform inspections frequently for hazards or maintenance deficiencies. For example, spills and water at entranceways are common causes of slips, so regularly inspect for wet floors in high-risk areas such as entrances, bathrooms, and beverage-service areas.*
- *Create a form to be used during inspections.*
- *Train employees/volunteers to identify and fix hazards.*
- *When hazards are discovered, address them by posting signs or notices in highly visible locations to warn of potential danger, erect barriers to prevent access to hazards, make the appropriate repairs and/or remove the hazard.*
- *Ensure all areas are adequately lit.*
- *Use a non-slip floor treatment (especially when wet or greasy floors are inevitable).*
- *Document - keep records of inspections, repairs and the general state of the premises.*

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Risk Management continued...

In the Event of a Claim

1. Refer any discussions with the claimant to Lackner McLennan. It is wise to tell employees and/or volunteers that they should not discuss liability with potential claimants.
2. Instruct employees and volunteers to never admit fault on behalf of the organization. They should say "I'm not permitted by my employer to discuss the circumstances of the incident. I will, however, be reporting the incident immediately, and an authorized person will contact you."
3. Take pictures of the area where the incident occurred. If possible, photograph the footwear that the claimant was wearing.
4. Complete an incident report. Documenting the incident may help to establish a defense for a claim, help to determine the cause of the incident and improvements that could prevent similar incidents in the future.
5. Report the incident to your Lackner McLennan Insurance Professional. Provide us with the details of the incident and any steps that were taken to avoid the incident.
6. Investigate potential causes and take steps to prevent and/or respond better to similar incidents, should they occur in the future.



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