

## **GHRC Committee Report**

### **Directors and Officers (D&O) Liability Insurance**

Oct. 1, 2020 EC

Oct. 22, 2020 BD

#### **PURPOSE**

To seek executive committee recommendation and board approval of changes to D&O insurance coverage amounts.

#### **CONTEXT/RATIONALE**

The GHRC committee reviewed the organization's D&O liability insurance coverage at its Sept. 16, 2020 meeting. It accepted the advice of the CNA's insurance broker, Rhodes & Williams Insurance Limited, to increase D&O insurance coverage provided by Victor Insurance (formally Encon Insurance) from \$1M to \$5M (aggregate limit on liability) at an additional cost of \$4,494. The total cost will be approximately \$8,988.

D&O liability insurance coverage provides protection for directors and officers from investigations and claims that may arise from decisions taken by them in their capacity as a director or officer of the organization. The D&O policy is written on a three-year policy period which means that the current limit of insurance of \$1M could quickly erode if the CNA received multiple lawsuits.

#### **MOTION**

That the executive committee recommend, and board approve an increase in the CNA's Directors and Officers liability insurance coverage from \$1M to \$5M (aggregate limit on liability) at an additional cost of approximately \$4,494 plus tax.

