



Henry Ford - "*Coming together is the beginning. Keeping together is progress. Working together is success*"



There are more than 192 private P&C insurers actively competing in Canada to sell insurance policies on homes, cars and businesses.

Top 20 private P&C insurers by direct written premiums 2019

1. Intact Group 15.08%
2. Desjardins Group 8.50%
3. Aviva Group 8.35%
4. The Co-operators Group 5.76%
5. Wawanesa Mutual Insurance Co. 5.69%
6. Lloyd's Underwriters 5.45%
7. TD Insurance Group 5.42%
8. RSA Group 4.81%
9. Economical Group 3.86%
10. Northbridge Group 3.08%
11. Allstate Group 3.00%
12. Travelers Group 2.69%
13. CAA Group 2.13%
14. AIG Insurance Co. of Canada 1.95%
15. La Capitale Group 1.84%
16. Chubb Group 1.76%
17. Groupe Promutuel 1.33%
18. Zurich Insurance Co. Ltd. 1.18%
19. Genworth Financial Mortgage Insurance Co. 1.08%
20. Allianz Global Risks U.S. Insurance Co. 0.99%

**Top 20
represent
83.95% of
market share**



IBC BAC | Insurance Bureau of Canada
Bureau d'assurance du Canada

2020 Facts
of the Property and Casualty Insurance
Industry in Canada

Sources: IBC, MSA

Your Property Insurance Policy includes Fire Department Service Charges!

(ix) Fire Department Service Charges

Key language in this contract:

**“25,000.00 dollar limit...
liability of the Insured
assumed by contract or
agreement prior to the loss”**

Your Property Insurance Policy includes Fire Department Service Charges!

5. Fire Department Charges

The Company agrees to indemnify the insured up to \$1000. for charges for which the insured is legally responsible, if the

Key language in this contract:

**“\$1,000.00 limit...for charges
for which the insured is legally
responsible”**

A firefighter in full protective gear, including a helmet with a clear visor and a yellow and black turnout suit, is shown from the waist up. They are holding a black fire hose with a nozzle attached. The background is filled with a hazy, orange-tinted smoke, suggesting a fire scene.

What is Indemnification Technology®?

Legal Definition

1,478,801. 2010/04/28. Fire Marque Inc., c/o 15th Floor, Bankers Court, 850-2nd Street SW, Calgary, ALBERTA T2P 0R8
Representative
FRASER MILNE
1420, OTTAWA,

INDEMN

SERVICES: Fire and property insurance billing opportunities insurance companies with respect to incidents as early as March 2:

SERVICES: Protection d'incendie, collecte police d'assurance

facturation pour le compte des services d'incendie par la facturation aux sociétés d'assurances des coûts de surveillance des services d'incendie en ce qui a trait aux risques couverts. Employée au CANADA depuis au moins aussi tôt que le 22 mars 2010 en liaison avec les services.



Office de la propriété
Intellectuelle du Canada
Un organisme
d'Industrie Canada

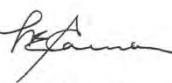
Canadian
Intellectual Property
Office
An Agency of
Industry Canada

Fire department incident reporting, data collection and property insurance policy wording interpretation

to maximize billing opportunities on behalf of fire departments by invoicing insurance companies

for costs of fire department attendance with respect to insured perils.

Numéro d'enregistrement
Registration Number
TMA792,198
Numéro de dossier
File Number
1478801



Date d'enregistrement
Registration Date
7 mars/Mar 2011

Registraire des marques de commerce
Registrar of Trade-marks
(CIPO 196)11-10

Canada 

O P I C  C I P O

A close-up photograph of a firefighter's gear. In the foreground, a black oxygen tank with a silver valve is visible. Behind it, a firefighter's helmet with a clear visor and a yellow communication device attached to the side is shown. The background is blurred, suggesting a fire scene.

How Does Fire Marque's Indemnification Technology® Program Work?

New Stand Alone By-law to Authorize Cost Recovery Specific to Fire Department Response

THE CORPORATION OF THE
BY-LAW No.

BEING A BY-LAW TO AUTHORIZE COST RECOVERY (FEES) WITH RESPECT TO FIRE DEPARTMENT SPECIFIC RESPONSE

WHEREAS pursuant to section 8 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time (the “Municipal Act”), the powers of a municipality are to be interpreted broadly so as to confer broad authority on the municipality to enable the municipality to govern its affairs as it considered appropriate and to enhance the municipality’s ability to respond to municipal issues;

AND WHEREAS pursuant to section 391 of the Municipal Act, a municipality may impose fees or charges on persons for services or activities provided or done by or on behalf of it;

AND WHEREAS pursuant to section 398 of the Municipal Act, fees and charges imposed by a municipality on a person constitute a debt of the person to the municipality;

AND WHEREAS Council of the deems it expedient to pass a by-law to impose fees on persons to recover the costs of fire department responses;

NOW THEREFORE the Council of the

hereby enacts as follows:

Why is a by-law required?

**Because Insurance Policy
Wordings Require It!**

Allstate – Elite Homeowner Wordings

Are the Municipalities' By-Laws enforceable?

Yes. The Insurance Bureau of Canada's (IBC), Director of Media and Digital Communications, Steve Kee forwarded the following response from the IBC's Consumer Information Centre staff to Eric Lai at Wheels.ca ***"I can tell you from experience that these By-Laws are enforceable. I tried the argument that fire departments operating expenses are paid for by my taxes but to no avail. If there is a claim covered by an insured peril, then the Fire Department charges are covered up to a specific limit."***



Why is the by-law required to make the cost recovery charges a legal DEBT to the municipality?

Because some Insurers require it!

From: [REDACTED]@wawanesa.com>
Sent: February 28, 2020 4:40 PM
To: cbanting-wrobel@firemarque.com
Subject: FW: Claim [REDACTED]

Hi Cherrie.

We are unable to pay your company for fire department charges. If the Municipality puts the fire dept charges on our insured's tax roll and bills the insured directly, that would initiate coverage under the policy.

[REDACTED] | Inside Claims Representative Sr.
The Wawanesa Mutual Insurance Company 107-4th Street, Box 40, Wawanesa, Manitoba, R0K 2G0
Toll Free: 1-844-929-2637 [REDACTED] | Fax: 204-824-2140 |
Email: [REDACTED]@wawanesa.com



The Process for the New Cost Recovery Program

1.

Fire Dept.

- Sends already completed Standard Incident Reports (SIR)

2.

Fire Marque

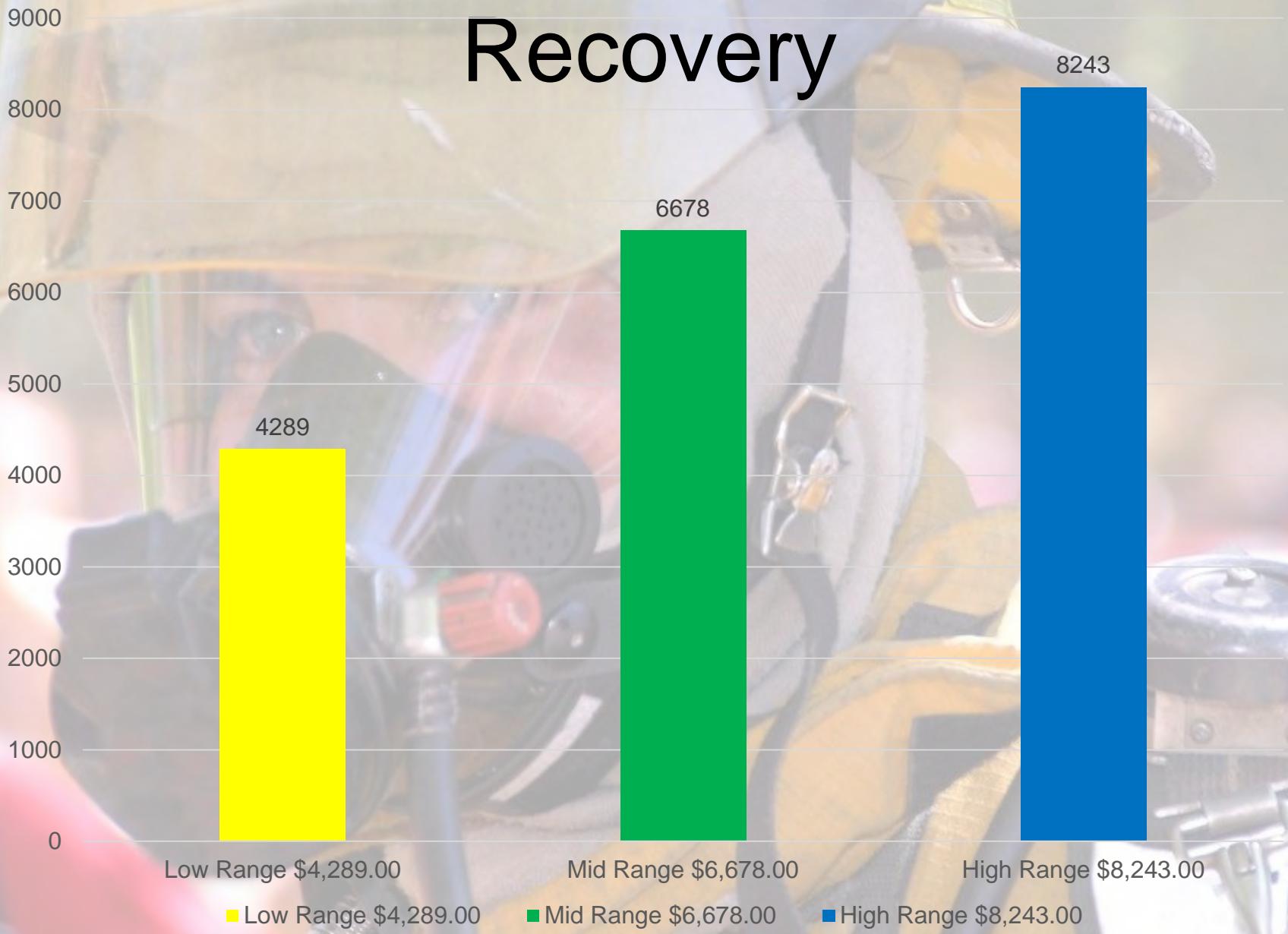
- Reviews
- Indemnity
- Stats
- Subrogation
- Trust Acct.

3.

Fire Department

- Allocates funds

New Fire Response Cost Recovery



Revenues Stay Within the Fire Budget in 3 Areas!

Public Education!



Revenues Stay Within the Fire Budget in 3 Areas!

Personnel Training!



Revenues Stay Within the Fire Budget in 3 Areas!

Capital Purchases!



The Municipal Act and User Fees

Section XII Sub-section 394 (1) Restriction, fees and charges-No fee or charge by-law shall impose a fee or charge that is based on, is in respect of or is computed by reference to,

A) The income of a person, however it is earned or received, **except that a municipality or local board may exempt, in whole or in part, any class of person from all or part of a fee or charge on the basis of inability to pay;**

Legislatures have reversed the way in which cities exercise their jurisdiction:

Under the old scheme, any bylaw or resolution had to be expressly allowed by the governing statute.

With the **natural person powers**, councils are no longer restricted to the words of the statute, but **are allowed to do what logically flows** from the general powers granted by the Act (except where to do so would conflict with the express wording of the statute).

Insurance Rates *will not* go up as a result of the Fire Marque Program

- Lloyds of London Warns of More Pain after Rate Squeezes – March 30th 2017** “extremely challenging markets because of plunging insurance rates”...”The pressure on premium rates is extraordinarily tough.”
- Cottage Country Now.ca** Town of Huntsville is considering a way to make insurance companies pick up part of the bill for fire response...**Coun. Tim Withey, who is an insurance broker, said homeowners' insurance rates would not go up because insurance companies incorporate such costs into their policies.**
- Insurance companies have been calculating premiums to include charges for Fire Department services even though they haven't had to pay out on the coverage. Fire Marque recovers these funds.**
- Property insurance is very different than auto insurance.**



Insurance Rates *will not* go up as a result of the Fire Marque Program

- Property insurance underwrites the building and contents. Buildings

For example, if you're away for more than 4 days in a row when it's cold outside, your home insurance may not cover damage to your home as a result of your pipes freezing.

How your insurance company calculates your premiums

Premiums are the amount you pay to buy insurance.

When determining how much you'll need to pay for premiums, insurance companies may consider factors such as:

- the type of residence you live in, such as a single family home, semi-detached, condo, rental property, or seasonal residence
- characteristics of your residence, such as materials your house is made of, age, size, location, replacement value
- value of your property and contents to be insured
- the distance between your home and a fire hydrant or a fire station
- the crime rate in your neighborhood
- your claims history
- the type of policy and coverage you selected
- the amount of your deductible

A deductible is the amount of your claim that you agree to pay before your insurance company pays the rest.

finished and filled with expensive electronic equipment.

- Garages used to be for our cars, now hold “stuff”!



Example of a Property Insurance Comprehensive Policy Premium is \$1,510.00

Coverage Summary

■ Building \$382,100.00

Identified Premiums including extended water coverage for \$120.00 and home business package for \$300.00 totals \$1,485.00 or 98.3% of the total premium.

■ Personal Property Replacement Cost \$382,100.00

Remainder of Premium (\$1,510.00) is \$25.00

Remaining Premium Total is \$25.00. As a ratio the Fire Department Coverage is insignificant within the additional coverages in the policy. No adverse effect will occur to the policy holder by accessing the Fire Dept. Expense coverage within the Insurance Policy.

“The price for premiums is based, in part, on an insurer’s best estimate of the amount it will be required to pay out in claims on the policies it wrote in any given year. Insurers pool the premiums of their many policyholders to cover the losses claimed by the few in that year.

Along with covering claim costs, premiums are calculated to cover taxes, operating expenses and expected profits.”

Remainder of Premium (\$1,510.00) is \$25.00

Coverage Summary

■ By-law (Fire) \$2,000.00

Our research indicates the Fire Department Expense coverage premium is between \$1.90 to \$3.40 per thousand dollars of coverage.

■ Legal Liability \$1,000,000.00

So to be perfectly clear the \$2,000.00 coverage in this policy is consistent with our position; it cost the policy holder \$3.80 to \$6.80 or 0.27% to 0.45% of the total premium cost.

If Property Owners pay taxes, which include Fire Department Services, why should the Fire Department charge fees?

The Indemnification Technology® program is not a typical fee. It is a cost recovery mechanism to comply with insurance policy language.

Just as property owners have paid taxes for fire services, they have also bought and paid for fire service expense coverage in their property insurance policies.

By requesting insurance companies pay those expenses, the insurance companies are being asked to honour the contractual agreement of the policy they issued.



Why do we need Fire Marque to do it-- can't we just do it ourselves?

“Fire Marque Incorporated has the **knowledge, staff and infrastructure** to perform cost recovery from insurance companies through an agency agreement. They are former insurance professionals who are experienced in insurance policy wording interpretation, data collection, policy review with respect to insured perils, invoicing and recordkeeping.”

- **Town of Bradford West Gwillimbury Staff Report, October 2nd 2012**

“Council could consider submitting claims and collecting funds using City Staff. This alternative is also **NOT recommended as the City does not have the staff resources and expertise necessary for the submission of the claims and the follow-up required with various insurance companies.**”

- **City of North Bay Staff Report, July 18th 2013**



Why do we need Fire Marque to do it-- can't we just do it ourselves?

Angus Tornado in Essa Township June 2014



103 separate property incidents/claims



41 different insurance companies, 103 insurance adjusters working on the various claims



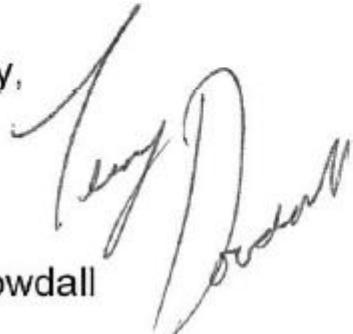
Fire Marque's Technical Team received the files 11 months after the incident. Our Team took an additional 10 months to recover the Fire Department Expenses for Essa Township and 4 responding neighbouring Departments.



On June 14th 2014, disaster struck in our municipality in the form of an F2 tornado. With Fire Marque's Indemnification Technology® the expenses for the Fire Department's emergency services were recovered.

Based on our success, I have no hesitation in recommending the Fire Marque Program.

Sincerely,



Terry Dowdall
Mayor

Why Fire Marque?

Experts in INDEMNIFICATION TECHNOLOGY®





**Questions,
comments,
concerns?**





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