



Health Care Protection Program Coverage Summary Document

**DIRECTORS' & OFFICERS' LIABILITY AND
CORPORATE REIMBURSEMENT AGREEMENT**
Effective 12:01 am PST July 1, 2012

Note: Summaries are for reference purposes only. In the event of a loss or inquiry, policy wordings including terms, conditions and definitions will apply.

Covered Parties	<p>1. A Director, Officer or Employee of a Health-Care Auxiliary;</p> <p>2. All Health-Care Auxiliaries in the Province of British Columbia on record with the British Columbia Association of Health-Care Auxiliaries.</p>
Limit	Fifty Million Dollars (\$50,000,000)
Coverage Agreements	<p>1. With respect to a Director, Officer or Employee, all Loss arising out of Claim for a Wrongful Act arising solely out of their duties;</p> <p>2. With respect to a Health-Care Auxiliary, all Loss</p> <p style="padding-left: 40px;">a) the HCA is obligated to pay because of a Claim for a Wrongful Act against a Director, Officer or Employee for which the Director, Officer or Employee is statutorily immune;</p> <p style="padding-left: 40px;">b) the HCA is required to pay to a Director, Officer or Employee as indemnification as permitted by law.</p> <p>Defence, Settlement, Supplementary Payments Provides defence, assessed costs and the reimbursement of reasonable expenses incurred at the direction of HCPP for occurrences which are covered under the agreement. HCPP has the right to appoint defence counsel, but will consult with the named Director, Officer or Employee involved regarding selection. This coverage is in addition to the general limit of liability.</p>

Exclusions	<p>The following is not an exhaustive list and represents highlights only. In the event of any discrepancy, coverage wordings shall apply.</p> <ul style="list-style-type: none"> • Any act, error or omission resulting from a Director, Officer or Employee failing to act honestly and in good faith and with a view to the best interests of the HCA; • Any act, error or omission outside the course of the Director's, Officer's or Employee's duties with the HCA; • Any Loss arising out of a dishonest, fraudulent, criminal or illegal act or omission of a Director, Officer or Employee. However, for the purposes of this exclusion, knowledge possessed by any one Director, Officer or Employee shall not be imputed to any other.
Definitions	<p>The coverage agreement contains many defined terms. Of particular note are the following:</p> <p>Director or Officer – includes any person who was, now is or shall become a duly elected or appointed Director or Officer of a HCA, while acting within the scope of his / her duties as a Director or Officer.</p> <p>Wrongful Act – means any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty committed by a Director, Officer or Employee acting in good faith solely in the discharge of his / her duties as a Director, Officer or Employee of a Health-Care Auxiliary.</p>
General Conditions	<p>Subrogation: To the extent a payment is made under this agreement, HCPP is subrogated to the HCA's right of recovery against others.</p> <p>Notice of Accident or Occurrence: Upon learning of a situation which could give rise to a Claim, prompt written notice with fullest available information must be provided. Full particulars of any writ of summons, demand or suit, letter, document or advice received from or on behalf of any claimant must be provided immediately. Full cooperation by the Health-Care Auxiliary and any covered Director, Officer or Employee is required.</p> <p>Insurance: Coverage under this agreement is in excess of any existing insurance.</p> <p>Recovery from the Health-Care Auxiliary: In the event HCPP indemnifies any Director or Officer for severance pay in a wrongful dismissal action; covered costs arising out of a breach of contract by the Health-Care Auxiliary; or for any covered costs arising out of non-compliance with a tax or other statute by the Health-Care Auxiliary, the Health-Care Auxiliary shall reimburse HCPP for said costs and any related defence costs within 30 days.</p>