Nova Scotia School Insurance Program

Annual Report 2024

PROGRESS. NOT PROFITS.

2024 ANNUAL REPORT
NOVA SCOTIA SCHOOL INSURANCE PROGRAM

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SIP OVERVIEW

The Nova Scotia School Insurance Program (SIP) is a reciprocal insurance exchange, licenced by the Superintendent of Insurance for the Province of Nova Scotia. The official name of SIP is the Nova Scotia School Insurance Exchange.

SIP is a not-for-profit organization owned and operated by the seven Regional Centres for Education of Nova Scotia, the Conseil scolaire acadien provincial, and the Nova Scotia Community College. SIP secures Subscribers with the ability to efficiently retain appropriate levels of risk and economically transfer non-retained risk to the insurance market through leveraging economies of scale. Stabilizing Subscriber premiums year over year and leveling out the highs and lows of the traditional insurance hard market/soft market cycles remains a key focus.

The mandate of SIP is to provide education-specific insurance solutions, claims administration/settlement, and risk management services to the Regional Centres for Education, CSAP and the NSCC.

SIP's scope of operations include:

- Claims investigation, management, and settlement
- Risk management
- Loss control
- Insurance procurement (excess policies)
- Insurance market watch/intelligence
- Incident reports management
- School Inspections
- Student accident insurance
- Volunteer accident insurance
- Subscriber advocacy on all risk and claims-related matters

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MISSION STATEMENT

SIP IS A NON-PROFIT INSURANCE EXCHANGE, COMMITTED TO PROVIDING QUALITY INSURANCE SERVICES TO THE NOVA SCOTIA CENTRES FOR EDUCATION, THE CONSEIL SCOLAIRE ACADIEN PROVINCIAL, AND THE NOVA SCOTIA COMMUNITY COLLEGE SYSTEM.

The Reciprocal Advantage

- Direct access to risk management advice and claims management service
- Personalized service delivered to the Nova Scotia public education sector
- Pooling of Nova Scotia education risk profiles to leverage economies of scale, efficiently retain appropriate levels of risk and transfer unwanted risk to the insurance market in the most cost-effective manner
- Input and governance through representation at the Board of Directors level

2024 SIP BOARD OF DIRECTORS

A nine-member Board of Directors is responsible for the governance of the School Insurance Program. Our Subscribers appoint a representative from each Centre of Education/CSAP/and the NSCC. SIP's Board of Directors for the 2023-2024 year was:

Chris Grover CPA, CGA

Board Chair

Director of Finance

Strait Regional Centre for Education

Tiffany Joudrey CPA, CA

Board Vice Chair

Director of Finance

South Shore Regional Centre for Education

Craig Crosby

Board Member

Director of Operations

Tri-County Regional Centre for Education

2023 SIP BOARD OF DIRECTORS

Lewis MacDonald P.Eng., PMP

Board Member

Director of Operations

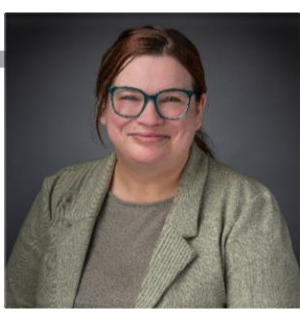
Cape Breton-Victoria Regional Centre for Education

Pat Murphy B. Ed., M. Ed.

Board Member

Director of Programs & Student Services

Annapolis Valley Regional Centre for Education



Meaghen Powell, CPA

Board Member

Director of Finance

Halifax Regional Centre for Education

Janine Saulnier, B.Sc., MBA

Board Member

Director of Finance & Treasurer

CSAP Conseil scolaire acadien provincial

William Strubank, B.Sc.

Board Member

Manager of Health & Safety Environmental Services

nscc education that works for you Nova Scotia Community College

Jessie Taggart, B.Sc.

Board Member

Director of Human Resources

Chignecto Central Regional Centre for Education

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NOVA SCOTIA SCHOOL INSURANCE PROGRAM

MESSAGE FROM THE CHAIR AND CEO

We are pleased to present SIP's 2023/2024 Annual Report.

This past year SIP continued its prime mandate of providing professional risk management, claims and insurance consultancy and service to our valued Subscribers.

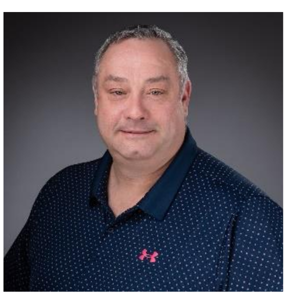
Operations were rechallenged this past year as SIP's **Property Insurance Program** responded to the July 2023 extreme weather event which saw many areas of the province experience unprecedented levels of rain resulting in severe flooding conditions. Property claims experience for the year's balance continued to be challenging both in frequency and severity.

Property claims costs also continue to reflect the effects of systemic inflation as well as restricted contractor availability.

Events in recent years such as hurricanes, polar vortexes, and wildfires highlight the challenges SIP, and our Property Insurance Program will face in the years ahead presented by climate change. SIP's staff and Board of Directors will carry out the necessary planning to ensure that necessary resources are in place to operate effectively in what will undoubtably prove to be an uncertain future from a weather perspective.

SIP's **General Liability** and **Educational Errors and Omissions Insurance Programs** continue to track with historical trends with no areas of concern. As a result, SIP's claims experience under the Property Insurance Program was the prime driver behind SIP's financial results again this year.

SIP staff and Board of Directors will continue the work necessary to ensure SIP remains a trusted insurance reciprocal partner for our Subscribers for the years ahead. It is with this vision that the Board of Directors has begun the process of development of a five-year strategic plan. This plan, once finalized, will provide clear direction for SIP and roadmap of how it will proactively meet Subscribers' needs over the next five years.



Chris Grover, Chair

Bruce Macdonald, CEO

The Board of Directors successfully concluded several matters during the year including the following:

- Public Request for Proposal and Appointment of Banking and Investment Services Provider
- SIP's year-end received an unqualified opinion from its actuary JSCP
- Audited Financial Statements (Annual)
- SIP's year-end received an unqualified opinion from its auditor KPMG
- As of April 1, 2022, SIP adopted IFRS 17 and IFRS 9; IFRS 17 had an impact of increasing the rate stabilization reserves (and reducing insurance contract liabilities) by $257,000 as presented in the restated balance sheets at April 1, 2022 and March 31, 2023
- As of March 31, 2024, the value of total open claims was $5,353,109
- 2024 insurance contract liabilities were $15,559,747 an increase of $10,191,411 from 2023
- Year-end Rate Stabilization Reserves were $2,859,659; $740,341

  below the actuary's recommended level of $3,600,000.
- For the fiscal year 2023-2024, the Board of Directors increased Subscriber premiums to restore Rate Stabilization Reserves to the actuary's recommended level. Unfortunately, claims activity well beyond expectations resulted in a Rate Stabilization Reserve that remains significantly below the actuary-recommended level. The Board of Directors will undertake strategic considerations to return the Rate Stabilization Reserve to the recommended level.
- SIP's Annual General Meeting was held June 21, 2024

Thanks to our Subscribers for their continued support of the reciprocal program and our staff for their ongoing dedication to our Subscribers.

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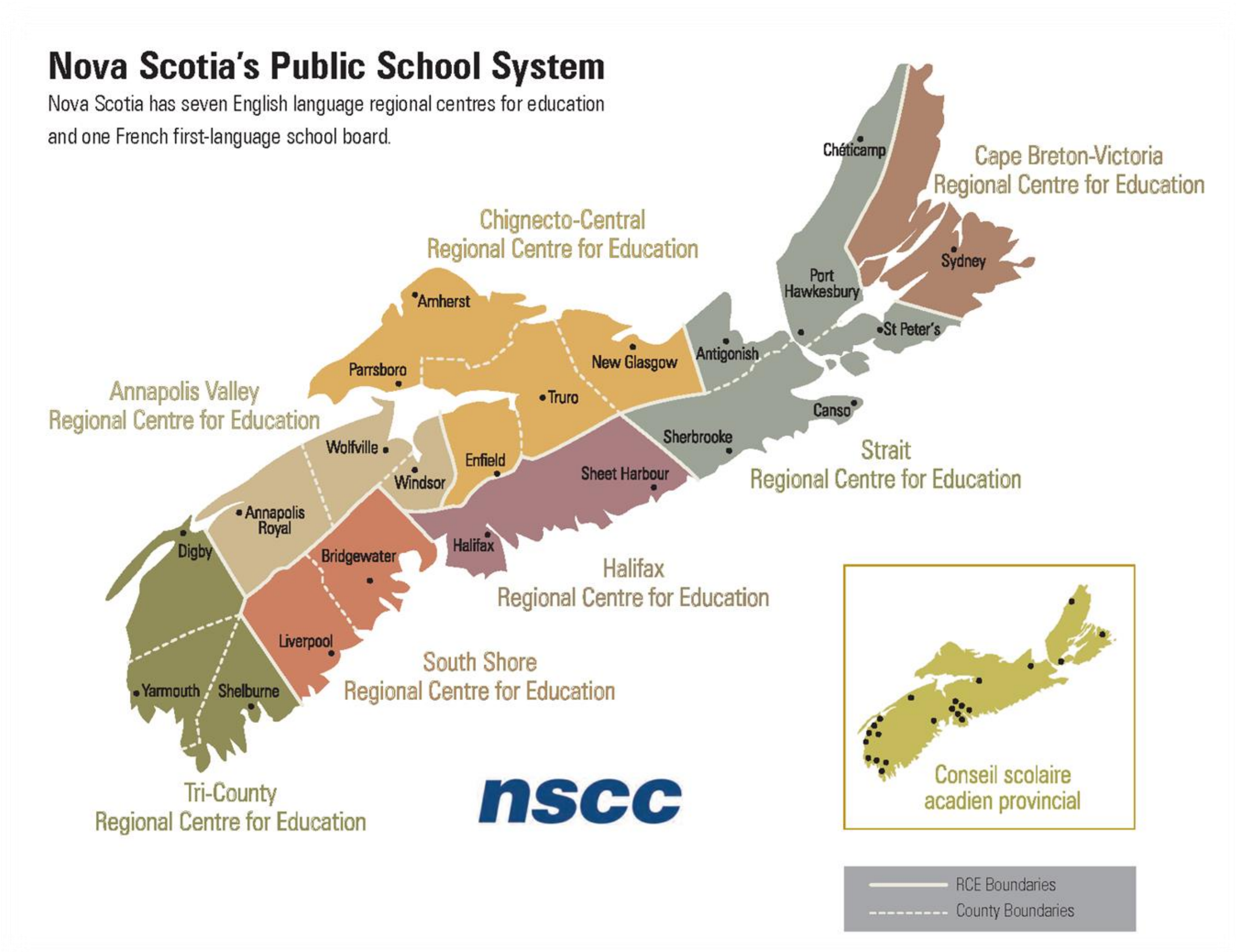
NOVA SCOTIA SCHOOL INSURANCE PROGRAM

SUBSCRIBERS

- Annapolis Valley Regional Centre for Education
- Cape Breton-Victoria Regional Centre for Education
- Chignecto-Central Regional Centre for Education
- Conseil scolaire acadien provincial
- Halifax Regional Centre for Education
- Nova Scotia Community College
- South Shore Regional Centre for Education
- Strait Regional Centre for Education
- Tri-County Regional Centre for Education



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SIP LEADERSHIP

The management of SIP is the responsibility of staff. The following staff members were in place in the 2023-2024 year.

Bruce Macdonald, BBA, CIP
Chief Executive Officer

Bruce plans, organizes, manages, and evaluates the operations of SIP in accordance with objectives established by the Board of Directors.

Lee-Anne Dauphinee, CRM, CIP
Risk Manager

Lee-Anne provides risk management, loss control, and insurance procurement service to Subscribers.

Cindy Norrad, CPA, CGA, CRM
Controller

Cindy manages the finances of SIP, reports to the Board of Directors, the Superintendent of Insurance, and engages in procurement.

SIP LEADERSHIP

The management of SIP is the responsibility of staff. The following staff members were in place in the 2023-2024 year.

Dawn Graves
Executive Assistant

Dawn provides support to the CEO, works closely with the Board of Directors, and provides administrative support to staff.

Rebekah Tingley, CRM, CIP

Risk Management and Insurance Analyst

Rebekah provides support to the Risk Manager, works closely with Subscribers on risk management-related matters and exposure data collection

Meagan Spicer
Claims Administrator

Meagan handles claims, the student accident program, certificate of insurance requests, and provides administrative support to staff.

Valencia Forrest
Claims Administrator

Valencia handles claims, the student accident program, certificate of insurance requests, and provides administrative support to staff.

2024 ANNUAL REPORT
NOVA SCOTIA SCHOOL INSURANCE PROGRAM

APPENDIX 1

2024 Audited Financial Statements

Combined Financial Statements of

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

And Independent Auditor's Report thereon

Year ended March 31, 2024

KPMG LLP
Purdy's Wharf Tower One
1959 Upper Water Street, Suite 1000
Halifax, NS B3J 3N2
Canada
Telephone 902 492 6000
Fax 902 492 1307

INDEPENDENT AUDITOR'S REPORT

To the Subscribers of Nova Scotia School Insurance Program

Opinion

We have audited the combined financial statements of Nova Scotia School Insurance Program (the Entity), which comprise:

- the combined statement of financial position as at March 31, 2024
- the combined statement of income for the year then ended
- the combined statement of comprehensive income (loss) for the year then ended
- the combined statement of changes in reserves for the year then ended
- the combined statement of cash flows for the year then ended
- and notes to the combined financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the combined financial position of the Entity as at March 31, 2024, its combined financial performance and its combined cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Changes in Accounting Policies and Comparative information

We draw attention to Note Note 1(f) to the financial statements which explains that certain comparative information presented were adjusted as a result of a full retrospective adoption of a change in accounting policy, with respect to IFRS 9 and IFRS 17:

- as at and for the year ended March 31, 2023 has been adjusted
- as at April 1, 2022 has been derived from the financial statements for the year ended March 31, 2022 which have been adjusted (not presented herein).

Note 1(f) explain the reason for the adjustments.

Our opinion is not modified in respect of these matters.

Other Matter – Changes in Accounting Policies and Comparative information

As part of our audit of the financial statements for the year ended March 31, 2024, we also audited the adjustments that were applied to adjust certain comparative information presented:

- as at and for the year ended March 31, 2023
- as at April 1, 2022

In our opinion, such adjustments are appropriate and have been properly applied. Our report is intended solely for the Subscribers of the Entity and should not be used by other parties.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Halifax, Canada

June 21, 2024

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Financial Position

Balances at March 31, 2024 with comparative information for 2023

	Notes	March 31, 2024	March 31, 2023 (Restated note 1(f))	April 1, 2022 (Restated note 1(f))
Assets				
Cash and cash equivalents		$ 8,561,242	$ 3,729,517	$ 6,348,866
Investments	4	6,244,569	5,830,505	5,889,019
Other receivables		66,284	57,906	–
Excess insurance recoverable	9	1,646,000	1,286,000	–
Prepaid premiums		2,667,319	2,432,896	2,161,878
Other assets		221,248	211,021	103,220
Right of use asset	5	325,158	364,974	404,789
Property, plant, and equipment	6	50,683	30,295	22,340
Total Assets		$ 19,782,503	$ 13,943,114	$ 14,930,112
Liabilities				
Accounts payable and accrued liabilities		$ 789,764	$ 284,005	$ 691,414
Lease liability	7	370,841	402,761	427,937
Insurance contract liabilities	9	15,559,747	10,191,411	10,648,788
Total liabilities		16,720,352	10,878,177	11,768,139
Subscriber reserves:				
Rate stabilization reserves	12	2,859,659	2,961,672	2,850,701
Accumulated other comprehensive income		202,492	103,265	311,272
		3,062,151	3,064,937	3,161,973
Total liabilities and reserves		$19,782,503	$ 13,943,114	$ 14,930,112

See accompanying notes to combined financial statements.

On behalf of the Board of Directors:

____________________ Director

____________________ Director

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Income

Year ended March 31, 2024

	March 31, 2024	March 31, 2023 (Restated note 1(f))
Insurance revenue	$ 14,338,787	$ 12,663,538
Insurance services expenses	(13,700,877)	(12,045,974)
Insurance service result	637,910	617,564
Investment income (note 4 (b))	381,053	277,758
Investment management fees	(21,225)	(31,608)
Insurance finance expense	(170,000)	(55,000)
Net insurance financial result	189,828	191,150
Operating expenses (note 14)	929,751	720,881
Net (loss) income	$ (102,013)	$ 110,971

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Comprehensive Income (Loss)

Year ended March 31, 2024, with comparative information for 2023

		2024		2023 Restated
Net (loss) income	$	(102,013)	$	110,971
Other comprehensive income (loss):				
Unrealized gain (loss) on investments		17,775		(230,760)
Reclassification adjustments:				
Realized loss on disposal of investments		86,251		22,753
Amortization of premiums and discounts recognized under the effective interest rate method		(4,799)		–
Total other comprehensive income (loss)		99,227		(208,007)
Comprehensive loss	$	(2,786)	$	(97,036)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Changes in Reserves

Year ended March 31, 2024, with comparative information for 2023

	Rate Stabilization Reserves	Accumulated Other Comprehensive Income	Total
Balance at March 31, 2022 as previously reported	$ 2,626,701	$ 311,272	$ 2,937,973
Impact of initial application of IFRS 17	224,000	–	224,000
Restated balance at April 1, 2022	2,850,701	311,272	3,161,973
Net income	110,971	–	110,971
Other comprehensive loss	–	(208,007)	(208,007)
Restated balance at March 31, 2023	**2,961,672**	**103,265**	**3,064,937**
Net loss	(102,013)	–	(102,013)
Other comprehensive income	–	99,227	99,227
Balance March 31, 2024	**$ 2,859,659**	**$ 202,492**	**$ 3,062,151**

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023 Restated
Cash provided by (used in):		
Operations:		
Net (loss) income	$ (102,013)	$ 110,971
Items not involving cash:		
Depreciation of property and equipment	27,646	11,268
Depreciation of premise lease	39,815	39,815
Accretion expense of premise lease	14,411	15,550
Gain on sale of property and equipment	(100)	–
Investment income	(381,053)	(277,758)
Change in non-cash working capital (note 16)	(107,270)	(2,130,134)
Proceeds from interest income	280,125	91,137
Proceeds from dividend income	120,434	186,551
Increase (decrease) in insurance contract liabilities	5,368,336	(457,377)
	5,260,331	(2,409,977)
Investments:		
Fixed income investment purchases	(6,443,860)	(985,873)
Equity investment purchases	(987,413)	(98,809)
Proceeds from sale of fixed income investments	5,725,527	798,767
Proceeds from sale of equity investments	1,371,405	136,493
Proceeds from sale of property and equipment	100	–
Additions to property and equipment	(48,034)	(19,224)
	(382,275)	(168,646)
Financing:		
Repayment of lease liability	(31,920)	(25,176)
Interest payment	(14,411)	(15,550)
	(46,331)	(40,726)
Increase (decrease) in cash	4,831,725	(2,619,349)
Cash and cash equivalents, beginning of year	3,729,517	6,348,866
Cash and cash equivalents, end of year	$ 8,561,242	$ 3,729,517

The Nova Scotia School Insurance Program ("SIP") is the combination of the Nova Scotia School Insurance Exchange (the "NSSIE") and its Attorney-in-Fact, the Nova Scotia School Insurance Program Association (the "NSSIPA"). SIP underwrites property and casualty insurance for the seven Nova Scotia regional Centres for Education, one provincial school board and the Nova Scotia Community College (the "Subscribers").

The NSSIE, established under a reciprocal insurance exchange agreement dated December 1, 2000, is licensed in the province of Nova Scotia by the Superintendent of Insurance ("NSSI") to provide property and liability insurance including educational errors and omissions in accordance with Part XII of the Insurance Act (Nova Scotia) R.S.N.S. 1989, c. 231, specifically Section 321.1.

SIP's registered office is located at Suite 100, Park Place II, 238A Brownlow Avenue, Dartmouth, Nova Scotia.

1. Basis of preparation:

(a) Statement of compliance:

These combined financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

The combined financial statements were authorized for issue by the Board of Directors on June 21, 2024.

(b) Basis of combination:

The combined financial statements reflect all the assets, liabilities, revenue, expenses, and cash flows of SIP, which includes 100% of NSSIE and NSSIPA. There are no other related or associated entities that have not been included that operate under the common name SIP. SIP is consolidated with the Nova Scotia Government Public Accounts.

The statements were prepared on a combined basis to reflect the underlying expenses incurred by the NSSIPA as Attorney-in-Fact on behalf of the NSSIE, which is funded by NSSIE contributions to NSSIPA. All inter-entity balances and transactions have been eliminated.

1. Basis of preparation (continued):

(c) Basis of measurement:

The combined financial statements have been prepared on the historical cost basis, except investments, which are measured at fair value, and the claims liabilities, which are measured on a discounted basis in accordance with accepted actuarial practice (which in the absence of an active market provides a reasonable proxy of fair value).

(d) Functional and presentation currency:

These combined financial statements are presented in Canadian dollars, which is SIP's functional and presentation currency.

(e) Combined statement of financial position:

SIP presents its combined statement of financial position in order of liquidity. Assets and liabilities that are expected to be recovered or settled in more than 12 months after the reporting date are summarized in notes 4 and 8.

(f) Changes in accounting policies and disclosures:

In these financial statements, SIP has applied IFRS 17 and IFRS 9 for the first time.
SIP has restated comparative information for 2023.

SIP has also applied amendments to IAS 1 – Disclosure of Accounting Policies which is effective April 1, 2023. These amendments require SIP to disclose its material accounting policies, rather than its significant accounting policies. This change did not result in any additional accounting policies being disclosed.

SIP has not early adopted any other standard, interpretation, or amendment that has been issued but is not yet effective.

i) IFRS 17 Insurance contracts:

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after April 1, 2023. SIP has restated comparative information for 2023. The nature of the changes in accounting policies can be summarized as follows:

1. Basis of preparation (continued):

(f) Changes in accounting policies and disclosures (continued):

i) IFRS 17 Insurance contracts (continued):

a) Changes to classification and measurement:

The adoption of IFRS 17 did not change the classification of SIP's insurance contracts. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued by SIP.

Under IFRS 17, SIP's insurance contracts issued are all eligible to be measured by applying the premium allocation approach ("PAA"). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The measurement principles of the PAA differ from the 'earned premium approach' used by SIP under IFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less amounts recognized in revenue for insurance services provided.
- Measurement of the liability for remaining coverage is adjusted to include a loss component to reflect the expected loss from onerous contracts.
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not-reported (IBNR) claims) is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk. The liability includes SIP's obligation to pay other incurred insurance expenses.

SIP expenses insurance acquisition cash flows for all product lines when incurred.

SIP's classification and measurement of insurance is explained in Note 2(g)(i).

1. Basis of preparation (continued):

(f) Changes in accounting policies and disclosures (continued):

i) IFRS 17 Insurance contracts (continued):

b) Changes to presentation and disclosure:

For presentation in the statement of financial position, SIP aggregates insurance contracts issued, and excess contracts held, respectively and presents separately:

- Portfolios of insurance contracts issued that are liabilities
- Portfolios of insurance contracts issued that are assets

The portfolios referred to above are those established at initial recognition in accordance with IFRS 17 requirements. Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line-item descriptions in the statement of income and comprehensive income have changed significantly compared with last year. Changes to the line-item descriptions include:

Under IFRS 4, SIP presented:	IFRS 17 requires the presentation of:
Gross Premiums	
Underwriting premiums	Insurance revenue
Net premiums earned	
Underwriting premiums	Insurance service expenses
Claims paid	
Claims liabilities	
Operating expenses related to claims	
	Insurance service results
	Insurance finance income or expenses

c) Transition:

On transition date April 1, 2022, SIP:

- Has identified, recognized, and measured each group of insurance contracts as if IFRS 17 had always been applied,
- Derecognized any existing balances that would not exist had IFRS 17 always applied,
- Recognized any resulting net difference in equity.

1. Basis of preparation (continued):

(f) Changes in accounting policies and disclosures (continued):

i) IFRS 17 Insurance contracts (continued):

c) Transition (continued):

SIP has applied the transition provisions in IFRS 17 and has not disclosed the impact of the adoption of IFRS 17 on each financial statement line item. The effects of adopting IFRS 17 on the financial statements at April 1, 2022, are presented in the statement of changes in equity.

The following table summarizes the impact of IFRS 17 on SIP's statement of financial position on transition.

	IFRS 4	Change in measurement and presentation	Changes in IFRS 17
Total Liabilities	11,992,139	(224,000)	11,768,139
Subscribers' Reserves	2,937,973	224,000	3,161,973

ii) IFRS 9 Financial Instruments:

On April 1, 2023, SIP adopted IFRS 9, replacing IAS 39, *Financial Instruments.*

The standard includes requirements on classification and measurement of financial assets and liabilities, impairment of financial assets, and general hedge accounting.

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 includes three principal measurement categories for financial assets – measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). It eliminates the previous IAS 39 categories of held-to-maturity investments, loans and receivables, and available-for-sale financial assets.

1. Basis of preparation (continued):

(f) Changes in accounting policies and disclosures (continued):

ii) IFRS 9 Financial Instruments (continued):

SIP will measure all invested assets at FVOCI. This resulted in no change of assets previously carried at amortized cost or designated as available for-sale, where changes in fair value are recorded to unrealized gains and losses in OCI.

For financial liabilities, IFRS 9 largely retains the IAS 39 classification for financial liabilities which can be measured at either amortized cost or FVTPL. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.

The transition to IFRS 9 did not result in restatement of the prior period.

The table below presents the classifications of financial assets and liabilities previously under IAS 39 and following transition to IFRS 9.

Financial Instrument	Classification IAS 39	Classification IFRS 9
Cash and cash equivalents	Amortized cost	Amortized cost
Bond and debentures	FVOCI	FVOCI
Equities and preferred share investments	FVOCI	FVOCI
Accrued investment income	Loans and receivables	Amortized cost
Receivables and other assets	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

The introduction of the IFRS 9 expected credit loss (“ECL”) model, which replaced the IAS 39 incurred loss model, and the new general hedge accounting standard did not have a significant impact upon transition for SIP.

2. Material accounting policies:

(a) Premiums:

Subscriber premiums are earned over the term of the policies for their periods which do not exceed one year. Policy terms are aligned with the Entity's fiscal year with the exception of certain policies which run from July 1 to July 1. Unearned premiums for policies that do not align with the Entity's fiscal year are grouped with premiums received in advance. Premiums received in advance relate to premiums received in the current fiscal year for the fiscal year commencing April 1 of the following year.

(b) Financial Instruments:

(i) Financial assets:

Classification and measurement of financial instruments:

Financial assets are classified as fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI"), or amortized cost based on their characteristics and purpose of their acquisition.

Financial assets are not reclassified subsequent to their initial recognition unless SIP changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following a change in business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specific dates to cash flows that are SPPI.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest ("SPPI").

2. Material accounting policies (continued):

(b) Financial Instruments (continued):

(i) Financial assets (continued):

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition, SIP may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

SIP classifies financial assets into the following categories:

- financial assets held at FVOCI: bonds and equities
- financial assets at amortized cost: cash and cash equivalents, accrued investment income, and receivables.

(ii) Financial liabilities:

Financial liabilities are classified and measured based on two categories: amortized cost or FVTPL. Financial liabilities are recognized initially on the trade date at which SIP becomes a party to the contractual provisions of the instrument. SIP derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. SIP has the following non-derivative financial liabilities measured at amortized cost: accounts payable and accrued liabilities.

(iii) Fair value:

The fair value of a financial instrument on initial recognition is defined as the fair value of the consideration given. Subsequent to initial recognition, fair value amounts represent estimates of the consideration that would currently be agreed between knowledgeable, willing parties who are under no compulsion to act.

2. Material accounting policies (continued):

(b) Financial Instruments (continued):

(iii) Fair Value (continued):

Fair value is best evidenced by quoted bid or price, as appropriate, in an active market. Where bid or ask prices are not available, such as in an illiquid or inactive market, the closing price of the most recent transaction of that instrument is subject to appropriate adjustments as required is used. Where quoted market prices are not available, the quoted prices of similar financial instruments or valuation models with observable market-based inputs are used to estimate the fair value. These valuation models may use multiple observable market inputs, including observable interest rates, foreign exchange rates, index levels, credit spreads, equity prices, counterparty credit quality, and corresponding market volatility levels. Minimal management judgement is required for fair values calculated using quoted market prices or observable market inputs for models. The calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future fair values.

SIP uses the services of external security pricing vendors to obtain estimated fair values of securities in its investment portfolio.

(iv) Impairment:

SIP recognizes loss allowances for expected credit losses (“ECL”) on financial assets not classified as FVTPL. SIP measures loss allowances at an amount equal to lifetime ECL, except on other financial instruments for which the credit risk has not increased significantly since initial recognition, for which the amount recognized is the 12-month ECL.

SIP assesses at each reporting date whether a financial asset or group of financial assets, other than FVOCI, is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is any objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset group of financial assets that can be reliably estimated.

2. Material accounting policies (continued):

(b) Financial Instruments (continued):

(iv) Impairment (continued):

Evidence of impairment may include indications that debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable date indicate that there is a measurable decrease in the estimate future cash flows, such as changes in arrears for economic conditions that correlate with defaults. When there is evidence of impairment, the value of these financial instruments is written down to the estimated net realized value through investment income in the statement of income and comprehensive income.

(v) Investment income:

Dividends and interest income are included in investment income and are recorded as they accrue. Interest is recognized using the effective interest rate method. Income distributions from Canadian income trusts are recorded as income when received. Dividend income on equity investments is recorded on the ex-dividend date.

(vi) General investment expenses:

General investment expenses are recognized as incurred.

(c) Cash and cash equivalents:

Cash and cash equivalents are comprised of cash on hand, balances with banks and highly liquid temporary investments which are readily convertible into cash, and which are subject to insignificant risk of changes in value.

2. Material accounting policies (continued):

(d) Property and equipment:

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within other income in profit or loss.

Amortization is provided using the straight-line basis over the following periods:

Asset	Rate
Leasehold improvements	10 years
Furniture and equipment	3 years
Computer hardware	2 years
Website Development	2 years

2. Material accounting policies (continued):

(e) Additional coverage and other primary insurance coverage:

SIP, on behalf of its Subscribers, obtains additional coverage and other primary insurance coverage. No liability related to claims under this coverage is recorded as SIP is not an insurer under these contracts.

(f) Salvage and subrogation recoverable:

In certain circumstances, SIP acquires the right to pursue third parties for losses paid to policyholders under insurance contracts or to dispose of the damaged goods. SIP has recognized and disclosed all identifiable and measurable amounts it expects to recover, and recoverable amounts are not recognized until paid or confirmed by SIP’s solicitor or adjusters.

(g) Insurance contracts accounting treatment:

(i) Insurance contracts accounting classification:

SIP issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, SIP determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. SIP issues insurance contracts to its Subscribers which includes property and liability products. These products offer protection of Subscriber’s assets and indemnification of other parties that have suffered damage as a result of a Subscriber’s accident.

(ii) Separating components from insurance contracts:

SIP assesses its insurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of IFRS 17. SIP does not currently issue insurance contracts that contain one or more components that would fall within the scope another standard (IFRS 9 or 15) and require unbundling (separation of components).

2. Material accounting policies (continued):

(g) Insurance contracts accounting treatment (continued):

(iii) Levels of aggregation:

IFRS 17 requires a company to determine the level of aggregation for applying its requirements. SIP previously applied aggregation levels, which were higher than the level of aggregation required by IFRS 17. The level of aggregation for SIP is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected probability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. No group for level of aggregation purposes may contain contracts issued more than one year apart.

The probability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. SIP assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, SIP assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. SIP considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognized
- Environmental factors, e.g., a change in market experience or regulations.

(iv) Recognition:

SIP recognizes groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

2. Material accounting policies (continued):

(g) Insurance contracts accounting treatment (continued):

(v) Contract boundary:

SIP includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary if an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which SIP can compel the policyholder to pay the premiums, or in which SIP has a substantive obligation to provide the policyholder with the insurance contract services.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognized. Such amounts relate to future insurance contracts.

(vi) Measurement – Premium Allocation Approach:

	IFRS Options	Adopted approach
PAA Eligibility	Subject to specifies criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model.	Coverage period for all insurance contracts if one year or less and so qualifies automatically for PAA.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is not longer than one year, insurance acquisition cash flows can be either expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts and the amortized over the coverage period of the related group.	For all contracts, insurance acquisition cash flows are allocated to related groups of insurance contracts and are amortized over the coverage period of the related group.
Liability for Remaining Coverage (“LFRC”), adjusted for financial risk and time value of money	Where the is no significant financing component in relation to the LFRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	For all contracts, there is no allowance for the accretion of interest as the premiums are received within one year of the coverage period.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present in the OCI.	For all contracts, the change in LFIC as a result of changes in discount rates will be captured within income.

2. Material accounting policies (continued):

(g) Insurance contracts accounting treatment (continued):

(vii) Insurance contracts – initial measurement:

SIP applies the PAA to all the insurance contracts that it issues as the coverage for all contracts is one year or less.

For a group of contracts that is not onerous at initial recognition, SIP measures the liability for remaining coverage as:

- The premiums, if any, received at, initial recognition,
- Minus any insurance acquisition cash flows at that date,
- Any other asset or liability previously recognized for cash flows related to the groups of contracts that SIP pays or received before the group of insurance contracts is recognized.

Where facts and circumstances indicate that contracts are onerous at initial recognition, SIP performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and SIP recognizes a loss in income for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by SIP for the liability for remaining coverage for such onerous group depicting the losses recognized.

(viii) Insurance contracts – subsequent measurement:

SIP measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period,
- Minus insurance acquisition cash flows,
- Plus any amounts relating to the amortization of the insurance acquisition cash flows recognized as an expense in the reporting period for the group,
- Minus the amount recognized as insurance revenue for the services provided in the period.

SIP estimates the liability for incurred claims as the fulfillment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those types of cash flows. They reflect current estimates from the perspective of SIP and include an explicit adjustment for non-financial risk (the risk adjustment).

2. Material accounting policies (continued):

(g) Insurance contracts accounting treatment (continued):

(viii) Insurance contracts – subsequent measurement:

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, SIP recognizes a loss in income for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfillment cash flows. A loss component is established by SIP for the liability for remaining coverage for such onerous group depicting the losses recognized.

Insurance acquisition cash flows are expensed as incurred.

(ix) Insurance contracts – modification and derecognition:

SIP derecognizes insurance contracts when:

The rights, and obligations relating to the relevant contracts are extinguished (i.e., discharges, cancelled or expired), or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, SIP derecognizes the initial contract and recognizes the modified contract as a new contract.

When a modification is not treated as a derecognition, SIP recognizes amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

(x) Presentation:

SIP has presented separately, in the statement of financial position, the carrying amounts of portfolios of insurance contracts issued that are assets , and portfolios of insurance contracts issued that are liabilities.

SIP does not disaggregate the change in risk adjustment for non-financial risk between as financial and non-financial portion and includes the entire change as part of the insurance service result.

SIP separately presents income or expenses from insurance contracts issued.

2. Material accounting policies (continued):

(g) Insurance contracts accounting treatment (continued):

(xi) Insurance revenue:

SIP is recognizing revenue based on the passage of time (straight-line basis) unless the release of risk differs significantly from the straight-line passage of time. In that case, recognition would be based on the expected timing of the incurred insurance service expense. Currently, SIP issues all annual subscriber policies (and pricing renewal notices) with an effective date of July 1 and therefore premiums are expected to be recognized via the passage of time.

(xii) Loss components:

SIP assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, SIP establishes a loss component as the excess of the fulfillment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

(xiii) Insurance finance income and expense:

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from the effect of the time value of money and changes in the time value of money; and the effect of financial risk and changes in financial risk. SIP presents insurance finance income or expenses within income each period.

(h) Income taxes:

As an exchange under The Insurance Act of Nova Scotia, the NSSIE is not subject to income taxes and, accordingly, no provision for income taxes has been made in these combined financial statements.

As a not-for-profit organization under The Societies Act of Nova Scotia, the NSSIPA is not subject to income taxes and accordingly no provision for income taxes has been made in these combined financial statements.

2. Material accounting policies (continued):

(i) Leases:

SIP recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently amortized using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to SIP by the end of the lease term, or the cost of the right-of-use asset reflects that SIP will exercise a purchase option. In that case, the right-of-use asset will be amortized over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, SIP's borrowing rate. Generally, SIP uses its incremental borrowing rate as the discount rate.

SIP determines its incremental borrowing rate by obtaining interest rates from various external financial sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments;
- the exercise price under a purchase option that SIP is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless SIP is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. If there is a change in SIP's estimate of the amount expected to be payable under a residual value guarantee, or if SIP changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease is remeasured in this was a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leases with a term less than twelve months or of a low value are expensed as incurred.

2. Material accounting policies (continued):

(j) Impairment of non-financial assets:

The carrying amounts of SIP's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less expected selling costs. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognized in income in the period in which the impairment is determined.

(k) Foreign currency translation:

The Canadian dollar is the functional and presentation currency of SIP. Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Translation differences on FVOCI investments are classified as other changes in the carrying value of the investment and are recognized in other comprehensive income.

Monetary assets and liabilities are translated at current rates of exchange.

3. Accounting estimates and judgments:

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amount of assets, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the following notes.

Significant judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

(i) Classification of financial assets: assign the business model within which the assets are held. See Note 2(b)(i).

(ii) Classification of insurance contracts. Assessing whether the contract transfers significant insurance risk. See Note 2(g)(i).

3. Accounting estimates and judgments (continued):

Significant judgements (continued):

(iii) Level of aggregation of insurance contracts. Identifying portfolios of contracts and determining groups of contracts that are onerous on initial recognition and those that have no significant possibility of becoming onerous subsequently. See Note 2(g)(iii).

(iv) Measurement of insurance contracts. Determining the techniques for estimating risk adjustments for non-financial risk and the coverage units provided under a contract. See Note 3 (i)(d).

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. SIP based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of SIP. Such changes are reflected in the assumptions when they occur.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next twelve months include the following notes:

(i) Insurance contracts

SIP applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to SIP's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, SIP now includes an explicit risk adjustment for non-financial risk.

a) Liability for remaining coverage

Liability for remaining coverage includes premiums, claims, ILAE for future claims, general expenses and policy premium tax.

i. Onerous groups:

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognized on underlying contracts and the recovery expected on such claims. At this time, SIP does not recognize any onerous groups.

3. Accounting estimates and judgements (continued):

(i) Insurance contracts (continued):

a) Liability for remaining coverage (continued):

ii. Time value of money:

SIP does not adjust the carrying amount of the liability for remaining coverage to reflect the time value of money or the effect of financial risk of any of its product lines.

b) Liability for incurred claims

The ultimate cost of outstanding claims is estimated by taking a weighting of current actuarial methods (Development methods, Bornheutter-Ferguson methods, and expected loss ratio (ELR method) using best estimate parameters (loss development factors, ELR) with consideration for the full range of possible outcomes (including those not in historical data) as meeting an unbiased, best estimate (probability-weighted mean) from which future cash flows are derived.

The main assumption underlying these techniques is that SIP's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based.

Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

SIP also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

3. Accounting estimates and judgements (continued):

(i) Insurance contracts (continued)

c) Discount rates:

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. The Canadian Institute of Actuaries publishes Canadian IFRS 17 compliant discounting curves (risk free, liquidity premium) using a bottom up approach. A Canada zero-coupon bond curve is used to develop the risk-free curve. SIP's policy is that it should leverage the risk-free spot rate yield and the computed illiquidity premium for the Canadian dollar published monthly by the CIA (and available to all CIA members and regulated insurance entities in Canada). This approach allows SIP to leverage the technical analysis and the supporting governance processes undertaken by the CIA and to comply with IFRS 17 standards in an efficient manner.

Discount rates applied for discounting of future cash flows are listed below:

	1 year		3 years		5 years		10 years	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Insurance Contract Liabilities	5.47%	5.47%	5.01%	4.93%	4.89%	4.73%	5.09%	4.87%

A sensitivity analysis of how the insurance liabilities respond to changes in the discount rates has been disclosed in Note 10.

d) Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that SIP requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

SIP has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, SIP has assessed that in order to be indifferent to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) they require an additional amount equivalent to the 75% level less the mean of an estimated probability distribution of the future cash flows. SIP has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

A sensitivity analysis of how the insurance liabilities respond to changes in the risk adjustments has been disclosed in Note 10.

4. Investments:

	2024	2023
Fixed income:		
Government	$ 2,262,746	$ –
Corporate	871,591	–
Other	401,838	–
Mutual and pooled fund units	1,230,296	4,407,080
Equities:		
Common shares	922,090	567,898
Mutual and pooled funds units	556,008	855,527
	$ 6,244,569	$ 5,830,505

The fair values of securities are based on quoted market values. Pooled funds and mutual funds are valued using an estimated fair value derived from the quoted market values of the underlying investments held by the respective pooled or mutual fund.

Fair values of cash equivalents and accrued investment income approximate their carrying values due to the short-term maturity of these items.

(a) Liquidity:

Principal bond maturity profile as at March 31, 2024, assuming bonds are not liquidated prior to maturity is as follows:

Government bonds 4.87 years

Corporate bonds 4.13 years

Other bonds 3.58 years

Other pooled bond fund units 6.31 years

The weighted average yield for debt securities based on market value at March 31, 2024, is 3.6% (March 31, 2023 – 3.7%).

4. Investments (continued):

(b) Investment and other income:

		2024		2023
Interest	$	294,689	$	101,492
Dividends		173,341		199,019
Loss on sale of investments		(86,977)		(22,753)
	$	381,053	$	277,758

Dividends includes re-invested dividends of $60,257 (2023 - $20,197) related to mutual funds and short-term investments.

5. Right of use asset:

		2024		2023
Balance, April 1	$	364,974	$	404,789
Additions		–		–
Amortization		(39,816)		(39,815)
Balance, March 31	$	325,158	$	364,974

6. Property and equipment:

	Furniture And Equipment	Computer hardware	Leasehold improvements	Website	Total costs
Balance, March 31, 2023	$ 81,604	$ 34,718	$ 18,452	$ 3,924	$ 138,698
Additions	558	7,831	569	39,076	48,034
Disposals	–	(632)	–	–	(632)
Balance, March 31, 2024	82,162	41,917	19,021	43,000	186,100
Accumulated depreciation:					
Balance, March 31, 2023	74,593	30,030	3,290	490	108,403
Depreciation for the year	4,160	5,464	1,709	16,313	27,646
Disposals	–	(632)	–	–	(632)
	78,753	34,862	4,999	16,803	135,417
Balance, March 31, 2024	3,408	7,057	14,021	26,197	50,683
Balance, March 31, 2023	$ 7,011	$ 4,688	$ 15,162	$ 3,434	$ 30,295
Balance, March 31, 2024	$ 3,409	$ 7,055	$ 14,022	$ 26,197	$ 50,683

7. Lease liability:

	2024	2023
Balance, April 1	$ 402,761	$ 427,937
Lease liability for assets acquired under lease	–	–
Interest expense on lease liability	14,411	15,550
Repayment of lease liability	(46,331)	(40,726)
Balance, March 31	$ 370,841	$ 402,761

7. Lease liability (continued):

The contractual payments for the lease liability are due as follows:

	2024	2023
Due within one year	$ 52,508	$ 46,331
Due in one to two years	53,070	52,508
Due in two to five years	159,209	159,209
Due in over five years	165,375	218,445
Balance, March 31	$ 430,162	$ 476,493

8. Limits of liability:

(a) Commercial general liability insurance:

The limit of liability for liability insurance is a maximum amount on any one loss of $250,000 subject to a policy annual aggregate of $1 million. The Subscriber pre-entry deductible is $1,000 for third-party property damage only. There is no deductible for bodily or personal injury. These policy liability limits were in effect for both fiscal years 2024 and 2023.

(b) Property insurance:

The limit of liability for property insurance is a maximum amount of any one loss of $500,000 ($500,000 – 2023) subject to a policy annual aggregate of $2 million ($1.5 million – 2023). The Subscriber pre-entry deductible is $5,000. These policy liability limits were in effect for fiscal years 2024 and 2023.

(c) Educational errors and omissions insurance:

The limit of liability for errors and omissions insurance is a maximum amount of any one loss of $250,000 subject to a policy annual aggregate of $1 million. The Subscriber pre-entry deductible (after the SIP self-insured retention of $250,000) is $1,000. These policy liability limits were in effect for both fiscal years 2024 and 2023.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Notes to Combined Financial Statements (continued)

Year ended March 31, 2024

9. Insurance contracts:

(a) Roll forward of net asset or liability for insurance contracts:

SIP provides disclosure for its entire portfolio on an overall basis without further disaggregating information based on major product lines. This approach reflects SIP's management and reporting practices.

2024	Liabilities for remaining coverage		Liabilities for incurred claims		
Amounts are in $'000	**Excluding loss component**	**Loss component**	**Estimates of PVFCF***	**Risk adjustments**	**Total**
Insurance contract liabilities, beginning of year	**395**	–	**4,345**	**459**	**5,199**
Insurance revenue	(14,339)	–	–	–	(14,339)
Insurance service expenses:					
Incurred claims and other directly attributable expense	–	–	13,501	194	13,695
Changes that relate to past service – adjustments to the LIC	–	–	169	(163)	6
Insurance service result	**(14,339)**	–	**13,670**	**31**	**(638)**
Insurance finance expenses	–	–	170	–	170
Total changes in the statement of comprehensive income	(14,339)	–	13,840	31	(468)
Cash flows:					–
Premiums received	14,369	–	-	–	14,369
Claims and other directly attributable expenses paid	–	–	(13,595)	–	(13,595)
Total cash flows	**14,369**	–	**(13,595)**	**–**	**774**
Insurance contract liabilities, end of year	**425**	–	**4,590**	**490**	**5,505**
Excess insurance recoverable	-	-	1,646	-	1,646
Prepaid premiums received	8,409	-	-	-	8,409
Total insurance contract liabilities, end of year	**8,834**		**6,236**	**490**	**15,560**

* PVFCF refers to present value of future cash flows

9. Insurance contracts (continued):

(a) Roll forward of net asset or liability for insurance contracts (continued):

2023	Liabilities for remaining coverage		Liabilities for incurred claims		
Amounts are in $'000	**Excluding loss component**	**Loss component**	**Estimates of PVFCF**	**Risk adjustments**	**Total**
Insurance contract liabilities, beginning of year	**271**	**-**	**3,948**	**445**	**4,664**
Insurance revenue	(12,664)	-	-	-	(12,664)
Insurance service expenses:					
Incurred claims and other directly attributable expense	-	-	12,459	162	12,621
Changes that relate to past service – adjustments to the LIC	-	-	(448)	(150)	(598)
Insurance service result	**(12,664)**		**12,011**	**12**	**(641)**
Insurance finance expenses	-	-	55	-	55
Total changes in the statement of comprehensive income	**(12,664)**	**-**	**12,066**	**12**	**(586)**
Cash flows:					
Premiums received	12,788	-	-	-	12,788
Claims and other directly attributable expenses paid	-	-	(11,667)	-	(11,667)
Total cash flows	**12,788**	**-**	**(11,667)**	**-**	**1,121**
Insurance contract liabilities, end of year	**395**	**-**	**4,347**	**457**	**5,199**
Excess insurance recoverable	-	-	1,286	-	1,286
Prepaid premiums received	3,706	-	-	-	3,706
Total insurance contract liabilities, end of year	**4,101**		**5,633**	**457**	**10,191**

* PVFCF refers to present value of future cash flows

9. Insurance contracts:

(b) Liability for incurred claims:

The liability for incurred claims represents the expected fulfilment cash flows related to incurred claims, reflecting current estimates from the perspective of SIP and includes an explicit adjustment for non-financial risk (the risk adjustment).

(i) Methodology and assumptions:

Determining the liability for incurred claims and the related asset for incurred claims involves an assessment of the future development of claims. The liability for incurred claims is determined using a range of accepted actuarial claims projection techniques determined based on the line of business. The key assumption in developing these estimates is that claims recorded to date will continue to develop in a similar manner in the future. Other factors include changing regulatory and legal environment, actuarial studies, professional experience and expertise of SIP's claims personnel and independent adjusters retained to handle individual claims, the effect of inflationary trends on future claims settlement costs, investment rates of return, court decisions, economic conditions and public attitudes.

The liability for incurred claims includes salvage and subrogation recoveries. The actuarially determined carrying value of liability for incurred claims is considered an indicator of fair value, as there is no ready market for the trading of insurance policies.

Under Canadian accepted actuarial practice, the appropriate amount representing future obligations is defined as policy liabilities, which takes into consideration the time value of money and includes risk adjustment. Consequently, the liability for incurred claims has been recorded on a discounted basis. The discount rate used in the March 31, 2024 valuation is set out in Note 3(i)(c). A sensitivity analysis of how the insurance liabilities respond to changes in the discount rates has been disclosed in Note 10.

The liability for incurred claims are estimates and, as such, are subject to variability, which could be material in the near term. Changes to the estimates could result from future events such as receiving additional claim information, changes in judicial interpretation of contracts or significant changes in severity or frequency of claims from past trends. In general, the longer the term required for the settlement of claims, the more variable the estimates. As additional experience and other data becomes available, the estimates could be revised. Any future changes in estimates would be reflected in the statement of income for the period in which the change occurred. The historical studies are regularly compared to current emerging experience so that adjustments may be made as necessary. The actual amount of ultimate claims can only be ascertained once all claims are closed. The effect of changes in assumptions is disclosed in Note 10 (a)(vi) sensitivity analysis.

10. Insurance and financial risk management:

SIP's activities expose it to a variety of insurance and financial risks and those activities necessitate the analysis, evaluation, control and/or acceptance of some degree of risk or combination of risks. Taking various types of risk is core to the financial services business and operational risks are an inevitable consequence of being in business. SIP's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance.

(a) Insurance risk:

The following tables show the concentration of net insurance contract liabilities by type of contract:

Amounts are in $'000		2024		2023
Property	$	2,407	$	2,348
Comprehensive general liability		2,627		2,403
Educational errors and omissions		46		53
	$	**5,080**	$	**4,804**

The risks written by SIP are concentrated within Nova Scotia.

SIP's insurance risk is the risk that the total cost of claims and acquisition expenses will exceed premiums received and can arise from numerous factors, including pricing risk, reserving risk and catastrophic loss risk.

SIP's underwriting objective is to provide cost effective insurance for its subscribers.

(i) Pricing risk:

Pricing risk arises when actual claims experience differs from the assumptions included in pricing calculations. Historically, the underwriting results of the property and casualty industry have fluctuated significantly due to the cyclicality of the insurance market. The market cycle is affected by the frequency and severity of losses, levels of capacity and demand, general economic conditions, and price competition. SIP prices premiums based on a historical factor of provider premiums and a calculation based on enrollment and square footage.

10. Insurance and financial risk management (continued):

(a) Insurance risk (continued):

(ii) Reserving risk:

Reserving risk arises due to the length of time between the occurrence of a loss, the reporting of the loss to the insurer and ultimate resolution of the claim. Claim provisions are expectations of the ultimate cost of resolution and administration of claims based on an assessment of facts and circumstances then known, a review of historical settlement patterns, estimates of trends in claims severity and frequency, legal theories of liability and other factors.

Variables in the reserve estimation process can be affected by receipt of additional claim information and other internal and external factors, such as economic inflation, legal and judicial trends and legislative changes. Due to the amount of time between the occurrence of a loss, the actual reporting of the loss and the ultimate payment, provisions may ultimately develop differently from the actuarial assumptions made when initially estimating the provision for claims. SIP's provisions for claims are reviewed separately by, and must be acceptable to, the independent appointed actuary.

(iii) Catastrophic loss risk:

Catastrophic loss risk is the exposure to losses resulting from multiple claims arising out of a single catastrophic event. Property and casualty insurance companies experience large losses arising from manmade or natural catastrophes that can result in significant underwriting losses. Catastrophes can cause losses in a variety of property and casualty lines and may have continuing effects which could delay or hamper efforts to timely and accurately assess the full extent of the damage they cause. The incidence and severity of catastrophes are inherently unpredictable. SIP's exposure to risks is managed through the use of excess primary policies.

(iv) Sensitivities

The liability for incurred claims is sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following sensitivity analysis shows the impact on gross and net liabilities, net (loss) income and its Rate Stabilization Reserves for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

10. Insurance and financial risk management (continued):

(a) Insurance risk (continued):

(iv) Sensitivities (continued):

		2024			
	Change in assumptions $'000	Impact on profit $'000	Impact on profit $'000	Impact on equity $'000	Impact on equity $'000
Weighted average term to settlement	+10%	52	52	(52)	(52)
Expected loss	+5%	(40)	(40)	40	40
Inflation rate	+1%	(171)	(171)	171	171
Weighted average term to settlement	-10%	(53)	(53)	53	53
Expected loss	-5%	51	51	(51)	(51)
Inflation rate	-1%	143	143	(143)	(143)

		2023			
	Change in assumptions $'000	Impact on profit $'000	Impact on profit $'000	Impact on equity $'000	Impact on equity $'000
Weighted average term to settlement	+10%	50	50	(50)	(50)
Expected loss	+5%	(50)	(50)	50	50
Inflation rate	+1%	(155)	(155)	155	155
Weighted average term to settlement	-10%	(50)	(50)	50	50
Expected loss	-5%	25	25	(25)	(25)
Inflation rate	-1%	118	118	(118)	(118)

10. Insurance and financial risk management (continued):

(a) Insurance risk (continued):

(v) Claims development

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date.

In setting claims provisions, SIP gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

		2024			2023		
	Note	**Estimates of the PVFCF $'000**	**Risk adjustment $'000**	**Total $'000**	**Estimates of the PVFCF $'000**	**Risk adjustment $'000**	**Total $'000**
Total gross and net liabilities for incurred claims		4,591	489	5,080	4,345	458	4,804

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10. Insurance and financial risk management (continued):

(a) Insurance risk (continued):

(v). Claims development (continued):

Net undiscounted liabilities for incurred claims for 2024:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of ultimate claims costs:											
End of accident year	$ 1,824,636	1,555,249	1,528,025	1,527,943	1,166,928	1,714,950	1,084,016	2,555,795	2,320,231	2,568,779	
End of one year	1,673,420	1,273,502	1,450,630	1,477,497	861,324	1,455,986	825,961	2,213,066	2,481,199	–	
End of two years	1,693,489	1,323,401	1,270,054	1,268,977	588,907	1,275,269	822,062	2,400,093	–	–	
End of three years	1,676,228	1,300,923	1,262,718	1,301,664	676,454	1,180,091	784,383	–	–	–	
End of four years	1,677,276	1,297,999	1,257,422	1,187,741	530,723	1,145,673	–	–	–	–	
End of five years	1,696,824	1,316,246	1,176,508	1,320,003	543,642	–	–	–	–	–	
End of six years	1,849,888	1,363,913	1,350,799	1,254,144	–	–	–	–	–	–	
End of seven years	1,912,222	1,298,714	1,279,176	–	–	–	–	–	–	–	
End of eight years	1,861,579	1,209,118	–	–	–	–	–	–	–	–	
End of nine years	1,775,959	–	–	–	–	–	–	–	–	–	
Current estimate of cumulative claims	1,775,959	1,209,118	1,279,176	1,254,144	543,642	1,145,673	784,383	2,400,093	2,481,199	2,568,779	15,442,166
Cumulative claims payments to date	1,731,959	1,199,118	1,248,176	1,129,144	415,642	1,083,673	653,383	1,811,093	1,865,199	229,779	11,367,166
Liability recognized	44,000	10,000	31,000	125,000	128,000	62,000	131,000	589,000	616,000	2,339,000	4,075,000
Total all claims											4,075,000
Liability in respect of prior years											526,000
ILAE											547,000
Effect of discounting & RA											(68,387)
Net liabilities for incurred claims											$ 5,079,613

10. Insurance and financial risk management (continued):

(a) Insurance risk (continued):

(v) Claims development (continued):

Net undiscounted liabilities for incurred claims for 2023:

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Estimate of ultimate claims costs:											
End of accident year	$1,333,358	1,824,636	1,555,249	1,528,026	1,527,943	1,166,928	1,714,950	1,084,016	2,555,795	2,320,231	
End of one year	1,437,403	1,673,420	1,273,502	1,450,630	1,477,497	861,324	1,445,986	825,961	2,213,066	–	
End of two years	1,308,691	1,693,489	1,323,401	1,270,054	1,268,977	588,907	1,275,269	822,062	–	–	
End of three years	1,321,573	1,676,228	1,300,923	1,262,718	1,301,664	676,454	1,180,091	–	–	–	
End of four years	1,203,630	1,677,276	1,297,999	1,257,422	1,187,741	530,723	–	–	–	–	
End of five years	1,577,608	1,696,824	1,316,246	1,176,508	1,320,003	–	–	–	–	–	
End of six years	1,212,789	1,849,888	1,363,913	1,350,799	–	–	–	–	–	–	
End of seven years	1,215,870	1,912,222	1,298,714	–	–	–	–	–	–	–	
End of eight years	1,215,208	1,861,579	–	–	–	–	–	–	–	–	
End of nine years	1,243,624		–	–	–	–	–	–	–	–	–
Current estimate of cumulative claims	1,243,624	1,861,579	1,298,714	1,350,799	1,320,003	530,723	1,180,091	822,062	2,213,066	2,320,231	14,590,439
Cumulative claims payments to date	1,171,530	1,722,740	1,189,626	1,159,519	1,114,626	396,069	1,019,582	637,062	1,256,991	590,760	10,708,053
Liability recognized	72,094	138,839	109,088	191,279	205,376	134,654	160,509	185,000	956,075	1,729,471	3,882,386
Total all claims											3,882,386
Liability in respect of prior years											249,614
ILAE											744,000
Effect of discounting & RA											(72,391)
Net liabilities for incurred claims											$ 4,803,609

10. Insurance and financial risk management (continued):

(b) Financial risk management:

The Company has exposure to credit risk, liquidity risk and market risks from its use of financial instruments and its insurance contracts:

Credit risk

(i) Invested assets:

SIP's risk management strategy is to invest primarily in debt instruments of high credit quality issuers and to limit the amount of credit exposure with respect to any one issuer. SIP attempts to limit credit exposure by imposing portfolio limits on individual corporate issuers as well as limits based on credit quality. The breakdown of SIP's fixed income portfolio by the S&P rating or, where unavailable, the Fitch rating is presented below:

	March 31, 2024		March 31, 2023	
	Fair value	% of total	Fair value	% of total
High (AAA, AA)	$ 2,138,297	45.2%	$ 1,686,299	38.4%
Medium (A+, BBB-)	2,536,642	53.6%	2,511,883	57.2%
Low (BB+ and under)	61,020	1.2%	193,221	4.4%
	$ 4,735,959	100%	$ 4,391,403	100%

(ii) Aggregated credit risk:

SIP's aggregate exposure to credit risk is as follows:

	2024	2023
Investments in bonds	$ 4,735,959	$ 4,391,403
Accrued investment income, including interest	27,657	17,892
Cash and cash equivalents	8,561,242	3,729,517
Excess insurance recoverable	1,646,000	1,286,000
Other receivables	66,285	57,906
	$ 15,037,143	$ 9,482,718

10. Insurance and financial risk management (continued):

(b) Financial risk management (continued):

Liquidity risk:

Liquidity risk is the risk of having insufficient cash resources to meet financial commitments and policy obligations as they fall due, without raising funds at unfavorable rates or selling assets on a forced basis.

Liquidity risk arises from the general business activities and in the course of managing the assets and liabilities. The liquidity requirements of SIP's business have been met primarily by funds generated from operations, asset maturities and income and other returns received on securities. Cash provided from these sources is used primarily for claims and claim adjustment and defense expense payments and operating expenses. The timing and amount of catastrophe claims are inherently unpredictable and may create increased liquidity requirements.

To meet these cash requirements, SIP has policies to limit and monitor its exposure to individual issuers or related groups and to ensure that assets and liabilities are broadly matched in terms of their duration and currency. SIP also holds a portion of invested assets in liquid securities. At March 31, 2024, SIP has $8,561,242 (2023 - $3,729,517) of cash and cash equivalents.

Along with the expected maturity profile of SIP's investment portfolio, the following table shows the expected payout pattern of the unpaid claim liabilities.

Expected payout pattern of unpaid claims as at March 31, 2024:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 2,669,000	$ 1,617,000	$ 592,000	$ 270,000	$ 5,148,000

Expected payout pattern of unpaid claims as at March 31, 2023:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 2,490,000	$ 1,534,000	$ 564,000	$ 288,000	$ 4,876,000

10. Insurance and financial risk management (continued):

(b) Financial risk management (continued):

Market risk:

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchange rates, and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of SIP's primary market risk exposures and how those exposures are currently managed.

(i) Interest rate risk:

Fluctuations in interest rates have a direct impact on the market valuation of SIP's fixed income securities portfolio and liability values. Historical data and current information is used to profile the ultimate claims settlement pattern by class of insurance, which is then used in a broad sense to develop an investment policy and strategy. Generally, investment income will move with interest rates over the long term. Short-term interest rate fluctuations will generally create unrealized gains or losses. Generally, SIP's interest and dividend investment income will be reduced during sustained periods of lower interest rates as higher yielding fixed income securities are called, mature, or are sold and the proceeds are reinvested at lower rates and will likely result in unrealized gains in the value of fixed income securities SIP continues to hold, as well as realized gains to the extent the relevant securities are sold. During periods of rising interest rates, the market value of SIP's existing fixed income securities will generally decrease and gains on fixed income securities will likely be reduced or result in realized losses.

10. Insurance and financial risk management (continued):

(b) Financial risk management (continued):

Market risk (continued):

(i) Interest rate risk (continued):

As at March 31, 2024, management estimates that an immediate hypothetical 100 basis point, or 1%, parallel increase in interest rates would decrease the market value of the fixed income securities by $244,000 representing 5.1% (2023 - $223,000) (2023 – 4.7%) of the $4,766,471 (2023 - $4,704,816) fair value fixed income securities portfolio, and increase the value of insurance contract liabilities by $88,000 (2023 - $86,000), representing 1.7% (2023 – 1.8%) , thus partially offsetting the change in market value of bonds. Conversely, a 100-basis point decrease in interest rates would increase the market value of the fixed income securities by $261,000 (2023 - $240,000) representing 5.4% (2023 – 5.1%), and decrease the value of the insurance contract liabilities by $94,000 (2023 - $92,000) representing 1.8% (2023 – 1.9%). If it was necessary for us to complete an unexpected quick liquidation of assets to meet our policy obligations, interest rate fluctuations could result in realized gains or losses greater than the change in reserve values.

Computations of the prospective effects of hypothetical interest rate changes are based on numerous assumptions, including the maintenance of the existing level and composition of fixed income security assets at the indicated date, and should not be relied on as indicative of future results. The analysis in this section is based on the following assumptions: 1) the securities in SIP's portfolio are not impaired; 2) interest rates and equity prices move independently; 3) shifts in the yield curve are parallel; and 4) credit and liquidity risks have not been considered. In addition, it is important to note that FVOCI securities in an unrealized loss position, as reflected in OCI, may at some point in the future be realized either through a sale or impairment.

(ii) Equity market fluctuation risk:

Fluctuations in the value of equity securities affects the level and timing of recognition of gains and losses on securities held and causes changes in realized and unrealized gains and losses. General economic conditions, political conditions and many other factors can also adversely affect the stock markets and, consequently, the value of the equity securities SIP owns.

To mitigate these risks, SIP establishes an investment policy which is approved by the Board of Directors. The policy sets forth limits for each type of investment and compliance with the policy is closely monitored. SIP manages market risk through asset class diversification, policies to limit and monitor its individual issuers and aggregate equity exposure.

10. Insurance and financial risk management (continued):

(b) Financial risk management (continued):

Market risk (continued):

(ii) Equity market fluctuation risk (continued):

As at March 31, 2024, management estimates a hypothetical 10% increase in equity markets, with all other variables held constant, would impact OCI by approximately $27,111 (2023 - $7,748). A 10% decrease in equity prices would have the corresponding opposite effect, impacting OCI by the same amounts. Equity instruments comprise 23.7% (2023 – 24.4%) of the fair value of SIP's total investments.

(iii) Foreign exchange risk:

Foreign exchange risk is the possibility that changes in exchange rates produce an unintended effect on earnings and equity when measured in domestic currency. This risk is larger when assets backing liabilities are payable in one currency and are invested in financial instruments of another currency. SIP monitors the exposure of invested assets to foreign exchange and limits these amounts when deemed necessary and mitigates foreign exchange rate risk. SIP may nevertheless, from time to time, experience losses resulting from fluctuations in the values of these foreign currencies, which could adversely affect operating results.

At March 31, 2024, SIP held $163,232 in US equities (2023 – $631,629).

As at March 31, 2024, management estimates that a hypothetical 10% increase in the value of the Canadian dollar compared to the US dollar with all other variables held constant, would impact OCI by $19,485. A 10% decrease in the value of Canadian dollar compared to US dollars would have the corresponding opposite effect, impacting OCI by the same amounts.

11. Fair value measurement:

The following presents SIP's financial instruments measured at fair value by hierarchy level:

	March 31, 2024		March 31, 2023	
	Fair value	Cost	Fair value	Cost
Level 1				
Investments	$ 4,458,266	$ 4,275,098	$ 567,900	$ 398,097
Level 2				
Investments	1,786,303	1,734,521	5,262,605	5,311,249
	$ 6,244,569	$ 6,009,619	$ 5,830,505	$ 5,709,346

There were no transfers between Level 1 and Level 2 in the period. There were no fair value measurements classified as Level 3.

12. Rate stabilization reserves:

SIP has reserves which are intended to ensure stable rates to its members in future years as follows:

	Unrestricted Reserves	Externally Restricted Guarantee	Total
Restated balance, March 31, 2023	$ 1,380,353	$ 1,581,319	$ 2,961,672
Net income	(102,013)	–	(102,013)
Required transfer to and from restricted reserves	(323,108)	323,108	–
Balance, March 31, 2024	$ 955,232	$ 1,904,427	$ 2,859,659

12. Rate stabilization reserves (continued):

(a) In accordance with the Exchange Agreement, Subscribers were not obliged to contribute any amounts to SIP in the form of a capital contribution. The combined rate stabilization reserves therefore represent the cumulative excess of income over expenses, including investment income, and may be used to cover potential future catastrophic claims or accommodation for significant increases in excess insurance premiums as appropriate. The Exchange Agreement provides that additional assessments may be made to the Subscribers to the extent that premiums collected are insufficient to cover the claims and expenses experienced by SIP. Similarly, where accumulated funds are in excess of funds required to meet the obligations in respect of claims arising, the Exchange Agreement provides for the issue of premium credits.

(b) In accordance with the August, 2021, actuarial review of the minimum capitalization required for SIP, a conservative level of capital has been determined to be in the range of $3,600,000. This actuarial value, including externally restricted reserves, represents the capital, in its simplest form, required to cover the shortfall between the premium income based on expected losses and expenses and losses as measured at year end. It also protects policyholders against any sudden increase in frequency or severity that could otherwise result in significant rate increases.

(c) The Insurance Act of Nova Scotia requires SIP to maintain a Guarantee Fund of $50,000 in cash or approved securities. The Act also requires SIP to maintain a Restricted Reserve Fund in cash or approved securities equal to 50% of the gross premiums receipts minus the cost of excess insurance, excluding broker fees.

13. Capital management:

Capital is comprised of SIP's Rate Stabilization Reserves. As at March 31, 2024, SIP's capital was $2,859,659 (2023 restated - $2,961,672). SIP's objectives when managing the capital are to maintain financial strength, protect its claim paying liabilities, facilitate the prudent operation of SIP and promote long- term stability in premiums assessed to its Subscribers. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines based on risk management policies.

SIP is required to have a guaranteed reserve fund of 50% of annual premiums received minus the cost of excess insurance, excluding broker fees.

The minimum capital levels for SIP are monitored by their regulator, the Office of the Superintendent of Insurance for the Province of Nova Scotia.

14. Operating expenses:

	2024	2023 Restated
Salaries and contracting out	$ 267,488	$ 251,272
Risk	179,542	130,619
Rent and related expenses	97,084	96,823
Professional	171,255	74,800
Data	37,657	40,068
E&O coverage for staff and directors	92,679	70,627
Translation and student accident insurance promotion	1,037	(1,131)
Board and committee meetings	13,887	6,234
Depreciation	27,646	11,268
Office	8,572	9,723
Print and website	10,183	7,260
Telephone and communications	8,913	8,795
Professional development and dues	11,001	11,189
Other miscellaneous	2,807	3,334
	$ 929,751	$ 720,881

15. Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of SIP, directly or indirectly, including the Board of Directors of SIP.

Compensation expenses related to key management personnel consisted of $356,558 (2023 - $338,915) related to salaries and other short-term employee benefits. No other benefits were paid.

No compensation is paid to SIP's Board of Directors.

16. Changes in non-cash working capital items:

		2024		2023 Restated
Other receivables	$	(8,379)	$	(57,906)
Excess insurance recoverable		(360,000)		(1,286,000)
Other assets		(10,228)		(107,801)
Prepaid premiums		(234,422)		(271,018)
Accounts payable and accrued liabilities		505,759		(407,409)
	$	(107,270)	$	(2,130,134)

17. Other information

On December 3, 2021, legal representatives for SIP filed a Notice of Action against Arthur J. Gallagher Canada Limited (SIP's former insurance broker) for breach of contract and negligence. The outcome of this process is dependent on litigation.

18. Commitments:

SIP is committed to immaterial equipment leases subject to the practical expedients within IFRS 16 and software maintenance agreements with Riskonnect. There are no contractual obligations beyond next year:

2025	$	56,535

APPENDIX 2

2024 SIP Spring/Summer Newsletter

Volume 10 • No.2
SPRING/SUMMER 2024

riskwrite

2024?

Where there's smoke...

Wildfire preparedness: pages 2&3

SIP
School Insurance Program

Not for profit.

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WILDFIRE PREPAREDNESS

Over the past summer, it was evident that **wildfires** can happen in Nova Scotia without any prior notice, and they can spread rapidly.

To reduce the possible destruction caused by such wildfires, we have collaborated with **Aon** to devise a comprehensive checklist of measures that can be taken for wildfire preparedness.

During a wildfire:

- Before evacuating, and if it is safe to do so, remove all combustibles from a minimum five-foot perimeter of essential structures. Remove trash cans, furniture, grills, flowerpots and planters, storage, flags, etc. Clear wooden decks of all objects.
- If your school's roof is accessible by ladder, prop one against the building so you and firefighters can climb it.
- Close non-flammable blinds or window coverings.
- Close openings to the greatest extent possible: seal louvres and dryer vents with duct tape, shut all windows, and close non-combustible shutters if installed.
- Turn off HVAC systems.
- IT equipment should be powered down in an orderly manner to avoid damaging equipment due to a power outage or surge.
- Shut off electrical power. Standby generator controls should be turned to "off" to prevent automatic starting during the wildfire.
- Shut off gas meters, pilot lights, and propane tanks.

After a wildfire:

- Immediately check the roof, attic and exterior; put out any fires, sparks or embers.
- If there is no power, check to ensure the main breaker is on. Fires may cause breakers to trip. Contact the utility company if the breakers are on and power is still unavailable.
- Manually start the standby generator only if no flying embers can be drawn into the engine's intake air filters.
- Contact 911 if any danger is perceived upon re-entry and contact local experts before moving back in.
- If there is any damage, contact **SIP** and your **approved restoration company**.

SMOKE MITIGATION

Embers have died, and the smoke has long since settled after our province's **largest wildfires in recorded history**.

The **unprecedented** wildfire season Nova Scotians witnessed in **2023** is a stark reminder that changing weather patterns continue to create an environment conducive to longer wildfire seasons and increase our vulnerability to such catastrophic events.

Based on information **SIP** has obtained over the years working with fire-loss insurance experts, as well as information gathered from the recent wildfires, we offer the following risk management tips:

1. During school closures due to wildfire activity, **air handling systems should be turned off** to prevent smoke from migrating through the school and minimize smoke damage to property.

2. Weatherize buildings by **sealing and caulking cracks**, thus reducing smoke intrusion.

3. **Air filters should be changed** before air handling units are turned back on to remove a buildup of smoke residues, soot, and ash that may have entered your system during the fire. **Eliminating these contaminants** can prevent their recirculation and maintain cleaner indoor air quality.

If you have any questions on this topic, please do not hesitate to contact the **SIP** office at: mail@sip.ca or **902-480-2170**.

Natural disasters, such as **floods**, have become increasingly frequent. These events can occur without warning and cause significant damage.

SIP has collaborated with our insurance broker, **Aon**, to develop a comprehensive checklist to ensure that your organization is ready to face such a situation. This tool is designed to help you mitigate potential damage and navigate the aftermath of a flood.

Before a flood:

→ **Raise** any elevators to the second floor and turn off the power. **Move** all valuable records and equipment to the second floor.

→ **Redirect** your business phones to cell phones or answering services.

→ **Unplug** all electrical items before leaving.

After a flood:

→ **Listen** to news reports to learn whether the community's water supply is safe to drink.

→ **Avoid** floodwaters, which may be contaminated by oil, gasoline, or raw sewage. The water may also be electrically charged from underground or downed power lines.

→ **Be aware** of areas where floodwaters have receded; roads may have weakened and could collapse under the weight of a car.

→ **Clean** and disinfect everything that got wet; mud left from floodwater can contain sewage and harmful chemicals.

→ **Implement** a disaster recovery plan and monitor local authorities' communications.

→ **Contact** employees via the determined method of communication and discuss the next steps.

→ **Contact SIP** and your approved restoration company.

Schoolyard **Trees**

Trees on and around schoolyards can provide shade and many other pleasant benefits.

Regular inspections and maintenance can help prevent trees from becoming hazards from both property damage and bodily injury perspectives.

Regular inspections combined with the following steps can help protect trees and prevent them from becoming a hazard or contributing to excess debris cleanup in the wake of a storm:

- **Remove** dead trees.
- **Regularly prune** dead or broken limbs to help trees maintain structural integrity.
- **Remove** or treat pest problems.

As well, the following **tree conditions** should be actively monitored:

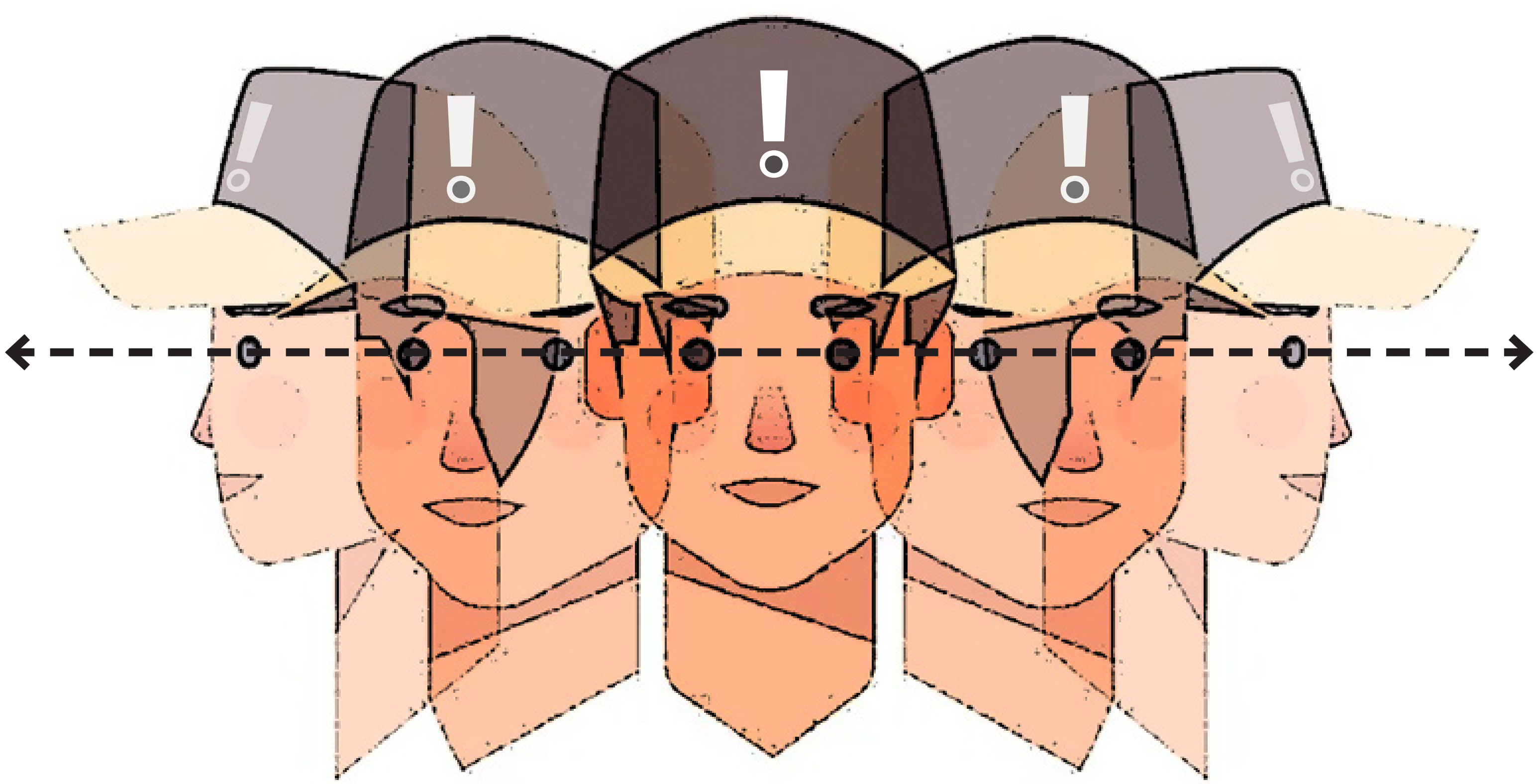
- **Cracks** in the trunk or major limbs.
- **Signs** of hollowing and decay.
- **Mushrooms** growing from the bark.
- **Significant leaning** to one side.
- **Limbs** in contact with power lines.
- **Branches** hanging over building structures.

Distracted Driving

Despite drivers' awareness of the risks, distracted driving continues to occur. A **2023** survey conducted by insurer **Travelers Canada** provides the following results:

- **25%** of respondents have had a near miss because they were distracted, **up 56%** from 2022.
- **19%** said another driver's distracted driving led to them being involved in a crash or collision, **up 58%** from the previous year.
- **63%** use a cell phone or hands-free technology.
- **56%** read or look at a map on a cell phone or electronic device.
- **48%** make or receive phone calls.
- **21%** read texts or emails.
- **17%** use hand-held devices.
- **58%** eat or drink.

On a more positive note, **90%** of drivers say they would be **less likely** to use a device while driving if a passenger asked them to stop.



Social Engineering

Social engineering is a serious threat, where criminals manipulate and deceive their victims to gain control over a computer system or steal personal and financial information and funds.

Given the increasing prevalence of social engineering, many crime insurance policies now offer a specific type of coverage: **'Social Engineering Fraud Coverage '**. This insurance protects against losses incurred when employees, in good faith, transfer money or securities due to a fraudulent instruction from an imposter posing as an authorized vendor, client, or employee.

– HELLO OLD FRIEND –

These threat actors are compelling. The request or transfer instruction often appears as a formal and official request. It contains urgent messaging, playing on an individual's desire to help and complete a task for someone of authority within their organization.

continued...

For several years, **SIP** has provided coverage to mitigate the financial risks of social engineering. However, this coverage is only effective if your organization verifies the validity of any transfer instruction before acting upon it. This verification, such as a **Callback Verification**, must be recorded, logged, or otherwise documented.

Protect yourself from social engineering fraud by taking these **3** crucial steps:

- **Identify**
- **Verify**
- **Authenticate**

Fake President/CEO Fraud:

* **Always** speak to the individual who has purportedly sent or given the instruction to make a payment.

* **Always** verify requests with another director, manager, or supervisor and check that the bank account is on a vetted, approved list.

Telephone Payments & Fund Transfers:

* **Avoid** giving or accepting payment instructions via telephone or email.

* **Only** accept requests in writing and on company-headed paper from a known point of contact in that organization.

* **Verify** all requests with a callback procedure to confirm authenticity.

Email scams & requests to Change Bank Account Details:

* **Check** the name and email address of the sender for spelling mistakes and that they are on an approved list of contacts.

* **Do not** open emails from unknown senders or with suspicious titles - they could contain viruses and expose the organization to a cyber attack.

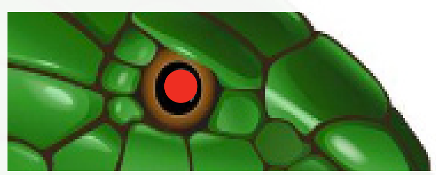
* **When** an email appears to be from a known person, it's crucial to hover your computer mouse over the email address to ensure it's not hiding a phoney address. This verification step is your responsibility.

* **Use** a callback procedure to authenticate the request to avoid being victimized by a fraudster impersonating a known contact.

* **Check** the client file for any history of previous requests to amend bank account details or send large sums to a new account.

Managing Suppliers & Vendor Details:

* **Maintain** an approved list of suppliers and vendors, including key contacts with email addresses and telephone numbers.



* **Ensure** suppliers and vendors know that any requests to change bank account details should be submitted in writing on company-headed paper, signed by an approved person. Have a dual control procedure in place when appointing new suppliers to prevent fictitious vendor fraud.

For more information on social engineering and callback verification requirements under the policy, please don't hesitate to reach out via **mail@sip.ca**.

Risk Management Tips

To Help Keep Your Buildings Safe in Summer

As we approach the end of the school year and the pace begins to slow down, it's important to remember that summer doesn't mean our buildings are on vacation. Our dedicated maintenance teams work tirelessly year-round to ensure our schools remain protected and in top condition, even during the seemingly quiet summer months.

SIP 24/7/365 Emergency
902.448.2840

Although the summer months may see a decrease in human activity, our buildings are not immune to property claims. Over the past five years, our records show several summertime claims, with water damage, vandalism, and theft being the leading causes. These incidents not only disrupt school operations but also highlight the importance of year-round monitoring and maintenance.

By implementing effective risk management practices, we can **significantly reduce** the likelihood and severity of incidents.

Water Damage

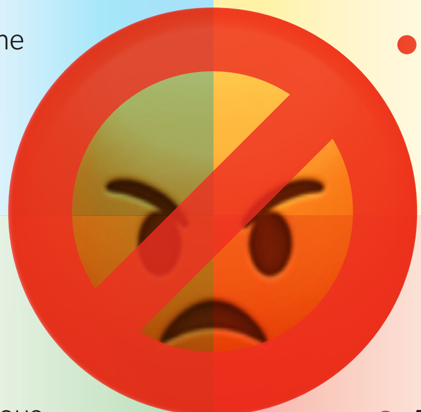
- **Ensure staff know where** water shut-off valves are and how to access them. Having valves easily visible through signage can be highly beneficial in a water emergency, especially if you have someone not as familiar with the building, such as a new or temporary employee.
- **Ensure staff know who** to call in the event of a water emergency. Provide staff with a list of contacts who should be notified of a water emergency. This list should include the **24/7/365 SIP emergency claims number.**

As water damage claims can be tricky and time-sensitive, we encourage you to contact us for any water-related event. **SIP** will assign an adjuster; if not already done by your staff, we will have a restoration firm out to start the clean-up and drying process immediately.

continued...

- **Implement plans** to check buildings after significant rain, snow, and wind. Often, water will enter via a crack or opening due to a storm or weather event. The earlier the detection, the less downtime needed to get the space back into operation and the less severe the overall damage.
- **Ensure roof drains,** gutters, and manholes are clear of debris, especially before and after wet and windy weather.
- **Look into the benefits** of water sensors and if/how they could assist in alarming staff to unintended water damage.

Vandalism and Theft



- **Improve the lighting** around the building. This will make the area appear more exposed, and the perceived threat of getting caught may assist in deterring bad intentions.
- **Increase security camera** usage and post signage that they record **24/7**, particularly in areas where you have experienced previous issues.
- **Clean up vandalism,** graffiti, broken glass, etc., as soon as you notice it. Reports indicate that repeated offences are reduced when cleaned up within **48 hours**. This shows that there are eyes on the property and that such acts won't be tolerated.
- **Ask for help** from local police and community members. Having police engage in regular patrols in the neighbourhood on evenings and weekends, especially in areas of previous issues, will help deter future activity.

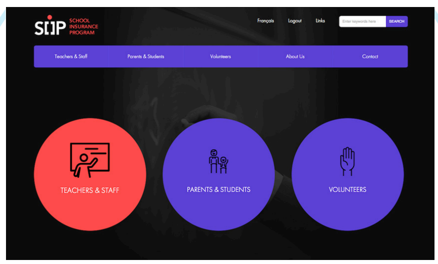
  Publicly involving community members (campaign flyers, etc.) to report suspicious activity will provide a silent presence that alludes to a sense that someone is always watching.
- **Relocate any building materials,** debris, and maintenance equipment easily accessible around the property to a secured area. Someone intending to do harm, such as smashing the window and causing other property damage, can easily move these items and break in.

Here are some additional tips for managing risks and protecting the property during periods of vacancy:

- **Engage in regular physical patrols** both inside and outside the building. These patrols will help catch seemingly minor issues that may otherwise be missed until they become a bigger problem and create a presence which may help deter malicious activity.
- **Ensure windows,** doors and other entry points are secured when not immediately in use. It is easy to forget to close/lock doors and windows, which can lead to not only the entry of wind and rain but also to unintended access by vandals/thieves, which can lead to massive destruction of property.
- **Avoid storing items** near the school building and consider a minimum **30-foot** clearance. Things like garbage/recycle bins, parked vehicles and ladders stored too close are cause of concern not only for their potential to catch fire, but we have also seen them used to gain access to the roof.

Be Safe This Summer!

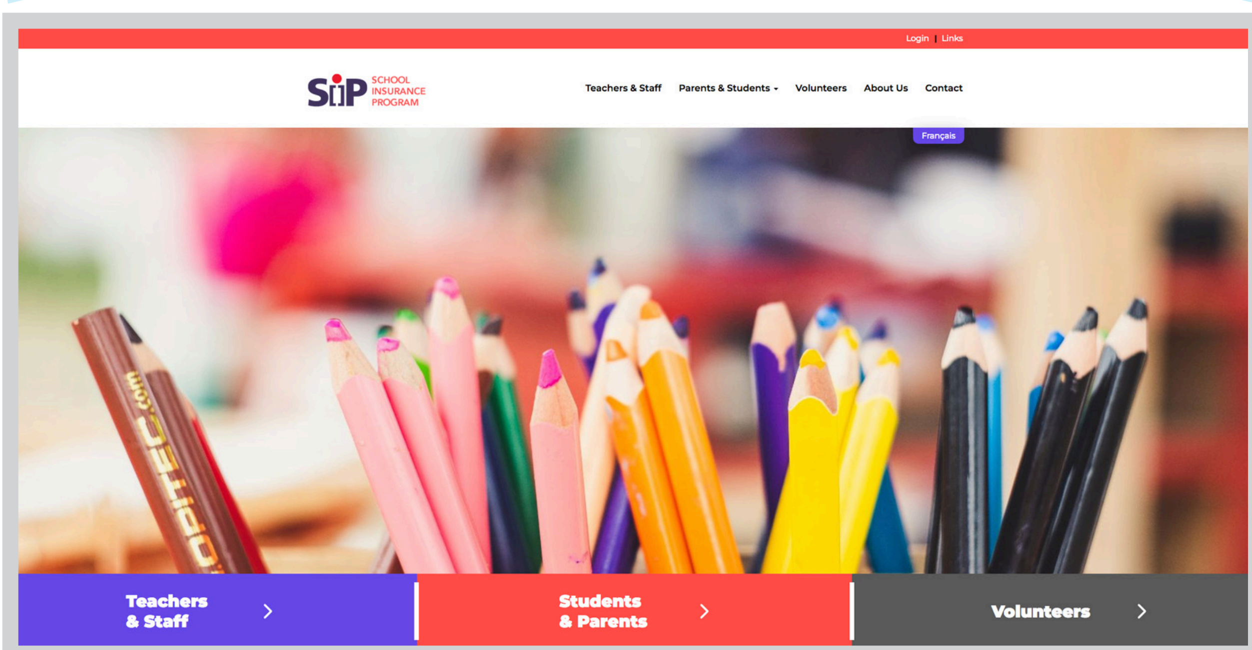
SIP WEBSITE Refresh



SIP's website has been freshened with a new look. Check us out at www.sip.ca .

If you need to sign in to access the certificate of insurance or incident reporting sections, you will note that your previous credentials no longer work.

Please contact our office; we will be happy to set you up with updated credentials.



Property Claims

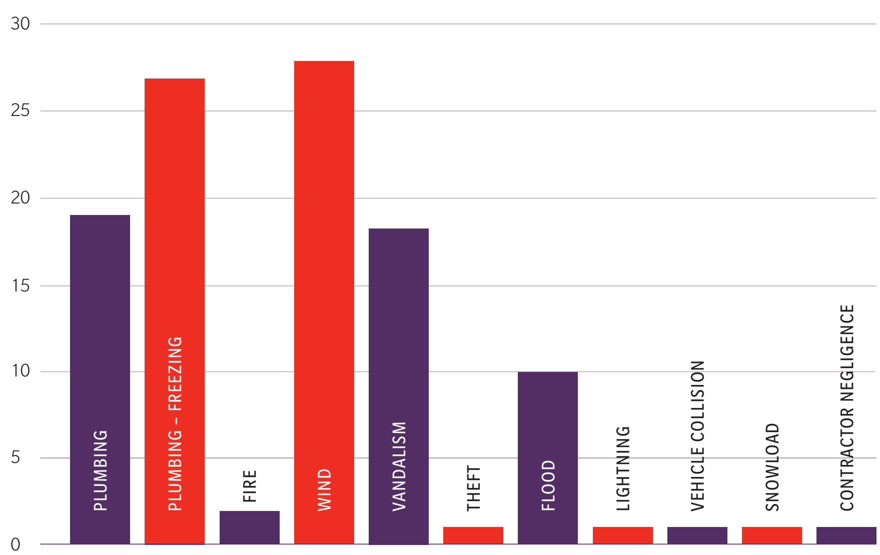
SIP is currently handling property claims at **101** school locations.

The following bar graph illustrates the distribution of these open claims, by peril.

Water escape from plumbing/sprinklers and windstorm represent the largest number of claims. Water escape from plumbing can result from many causes such as piping corrosion, toilet and sink overflow, objects striking sprinkler heads, etc. Water escape due to rupture of piping as a result of freezing is the largest contributor to current water escape claims.

Windstorms, including **Hurricane Fiona**, are also a large contributor to the number of claims **SIP** is currently handling.

Currently open property claims – by peril – number of locations



SIP Trivia Contest #11

All correct responses received within the first two weeks of newsletter release date will be entered into a draw. Two names will be drawn, and each will receive a **SIP** logo'd hoodie style fleece sweater.

Sizes available are Small, Medium, Large and Xtra Large.

SIP Trivia is open to all Regional Centres for Education, CSAP, and NSCC staff.

Please email your answers to:

mail@sip.ca

True or False…?

1 Installing protective bollards and short posts will not help prevent vehicles from coming too close to a storage tank as a loss prevention method.

2 When planning an end-of-year activity for students, an informed consent form from the school is required to be signed by parents/guardians.

3 If the Centre for Education/CSAP has arranged for transportation of students for an end-of-year activity, a "**J**" form is required to be signed for each individual driver and kept at the school.

This could be yours!

Available in **S**, **M**, **L**, **XL**

K–12 Safety

On-line training for your employees brought to you compliments of **SIP**

The School Insurance Program is pleased to continue to be partnered with ***K–12 Safety* *Online Training***. ***K–12*** *Safety* courses are specifically designed for school employees. The training courses are authored by school experts and are available from any internet appliance—computers, iPads and even smartphones with internet access.

Each participating Regional Centre for Education/ CSAP/NSCC have their own ***K–12*** *Safety* training site. ***K–12*** *Safety* training can track group or instructor-led training, and it also tracks individual eLearning training. Subscribers can even upload their policies and track acceptance of them as well. Administrators will enjoy real-time progress reports by school and even across the entire organization.

K–12 *Safety* continues to localize many of its courses and there are many courses that are ready for you today! As well, there are courses available in French, and more in the making.

We are confident this will be a great resource for all employees in your Regional Centres for Education, CSAP and NSCC. Students will benefit from safer environments as well.

For further Information and/or to connect with your Centre's/CSAP/NSCC ***K–12*** *Safety* representative, please contact **SIP** at *mail@sip.ca* to get your membership as soon as possible.

SIP School Insurance Program

Vector Solutions Support Centre

Vector Solutions' **support center** contains helpful articles for commonly asked questions. It also has tutorials and written instructions covering all features found within Vector LMS. If no support article answers your questions, you can contact their Customer Care team through one of the methods noted **here**.

NOW AVAILABLE FROM SIP

guard.me

SCHOOL TRIP & MEDICAL INSURANCE

Going on a school trip and need travel medical insurance?

SIP partners with **guard.me** to provide travel health insurance available for our schools.

guard.me health insurance plans provide for full payment, without co-insurance or deductibles, for doctors' visits and hospitalizations for medically required urgent care, as well as for paramedical care, medicines and urgent dental care *(*Normal terms and conditions apply).*

1. Who can apply for guard.me insurance?

guard.me is designed specifically to meet travel insurance needs for school trips. Eligible applicants include:

- ***Students*** • ***Teachers*** • ***Volunteers/chaperones***
- ***School faculty and staff***

*Coverage is available to persons **under 65** as of trip departure date.*

2. How do schools arrange coverage?

Go to sip.ca and select ***Teachers & Staff***, select ***Trips***, then click on ***Trip Insurance*** and review the following available coverages:

guard.me Canada – for emergency travel insurance for school trips within Canada (outside of your home Province).

guard.me Global B – for school trips outside of Canada for emergency medical insurance.

guard.me Global A – a more comprehensive coverage (Emergency medical insurance + trip cancellation insurance) for school trips outside Canada. Please note that this coverage must be purchased within (**7**) days of airline ticket purchase. Also note that a **guard.me Global A** policy **cannot** be cancelled, and the premium is **non-refundable**.

Request your coverage by contacting guard.me:

1. Contact **guard.me** by emailing partnerservices@guard.me. Identify yourself as a School Representative and your affiliation with Nova Scotia School Insurance Program. Identify the preferred policy.
2. **guard.me**'s PSR team will set up portal access for secure enrollment summissions.
3. **guard.me** PSR will provide the enrollment form for completion and return via the secure portal. Please complete all required fields on the enrollment form and note that the school's name in *mandatory* for invoicing.
4. **guard.me** will send confirmation and PDF Healthcare Access Cards through the portal for review once the policies have been issued.
5. **guard.me** will issue the policy invoice and notify **SIP**'s office. **SIP** will invoice the insurance premium to the school directly.

3. Learn the cost before arranging coverage.

A quote can be arranged for review prior to confirming coverage. Contact partnerservices@guard.me with the policy you are interested in along with coverage dates. Identify yourself as a School Representative and your affiliation with **SIP**. **guard.me** will respond with a quotation detailing the policy premium cost.

Should there be questions regarding insurance policy coverage specifics, please contact **SIP**'s **guard.me** representative at: megan@guard.me

School Trips

What to know...**before** you go.

Do you have a question for **SIP** about a **school trip?**

We get questions on field trips that range from trips to the library to trips to Europe. Our website now has a new feature that will help you tell us about your trip and answer any questions you may have. Follow these simple steps to submit your inquiry:

1. Go to ***www.sip.ca***
2. Select ***Teachers***, then ***Staff***, and log in (email: ***mail@sip.ca*** password: ***student***)
3. Select the ***Trips*** tab

Complete the form and submit to SIP staff and we will get back to you as soon as we can. Please remember to file your trip itinerary for **all trips** outside of Canada.

Agreements & Waivers

What to do...and **not** do.

Your school is being asked to sign waivers, hold harmless agreements, group agreements, indemnity agreements and release forms...**what should you do?**

Here is a quick reference chart to assist you:

Activity	Action to Take
Business offering activities for students	**Do not sign**
Field trips or sports activities	**Do not sign**
Leasing of space	Send the contract to your Centre/CSAP/NSCC office or **SIP**
Rental of equipment	Send copy of contract to your Centre/CSAP/NSCC office or **SIP**
Group agreement	**Do not sign**
Not sure	Send to **SIP** and we will assist you

Do not sign on the dotted line unless you have authority from your Centre/CSAP/NSCC to sign a legal contract on their behalf.

Staff Members

Bruce Macdonald BBA CIP
Chief Executive Officer
bruce.macdonald@sip.ca
Office 902.480.**2173**
Cell 902.499.9890

Bruce plans, organizes, manages and evaluates the operations of **SIP** in accordance with objectives established by the Board of Directors.

Lee-Anne Dauphinee CIP CRM
Risk Manager
lee-anne.dauphinee@sip.ca
Office 902.480.**2171**
Cell 902.452.6173

Lee-Anne provides risk management, loss control, and insurance purchase and renewal service to **SIP** subscribers.

Cindy Norrad CPA CGA CRM
Controller
cindy.norrad@sip.ca
Office 902.480.**2177**
Cell 902.499.0426

Cindy manages the finances of **SIP**, reports to the Board of Directors and is involved in procurement.

Meagan Spicer
Claims Administrator
meagan.spicer@sip.ca
Office 902.480.**2110**
Cell 902.430.9781

Meagan handles claims, the student accident program, certificate of insurance requests and also provides administrative support to office staff.

SIP School Insurance Program

24/7 Emergency 902.448.2840

www.sip.ca

Rebekah Tingley CRM CIP
Risk Management and Insurance Analyst
rebekah.tingley@sip.ca
Office 902.480.**2172**
Cell 902.830.2178

Rebekah provides support to the Risk Manager, works closely with Subscribers on risk management-related matters and exposure data collection.

Valencia Forrest
Claims Administrator
valencia.forrest@sip.ca
Office 902.480.**2174**
Cell 902.229.3262

Valencia handles claims, the student accident program, certificate of insurance requests and also provides administrative support to office staff.

Dawn Graves
Executive Assistant
dawn.graves@sip.ca
Office 902.480.**2178**
Cell 902.719.7008

Dawn provides administrative support to the office staff and works closely with the Chief Executive Officer.

Office Information

Reception	902.480.2170
Toll-free	855.480.2170
Fax	902.480.2179
Email	mail@sip.ca

Park Place II
238A Brownlow Ave – Suite 100
Dartmouth, NS
B3B 2B4

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Janine Saulnier
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William Strubank
Nova Scotia Community College

Jessi Taggart
Chignecto-Central Regional Centre for Education