NOVA SCOTIA SCHOOL INSURANCE EXCHANGE
ANNUAL REPORT 2019/2020

PROGRESS. NOT PROFIT

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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.

A not-for-profit organization owned and operated by the seven Regional Centres for Education of Nova Scotia, CSAP, 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 NSCC.

SIP’s scope of operations include:

- Claims investigation, management, settlement
- Risk Management
- Loss Control
- Insurance Procurement (excess policies)
- Insurance Market Watch/Intelligence
- Incident Reports Management
- School Inspections
- Student Accident Insurance
- Volunteer Accident Insurance

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.

BOARD OF DIRECTORS

A nine-member Board of Directors, appointed every four years by each of our Subscribers, is responsible for the governance of the Nova Scotia School Insurance Program.

SIP BOARD OF DIRECTORS 2019/2020

Back Row: L-R Herb Steeves, Chris Grover, Pat Murphy, Terri Thompson

Front Row L-R Scott Surette, Janine Saulnier, Tiffany Joudrey

Absent: Paul Oldford and William Strubank

MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

 

It is our privilege to present SIP's 2019/2020 Annual Report.

This year saw weather events continuing to have significant impact on our property insurance program. We are pleased to reflect that our property insurance program responded strongly to the challenging Subscriber claims reported during and after the passing of Hurricane Dorian, which crossed our province last September. With the ongoing threat of climate change, insurance industry models predict similar events will occur more frequently in the years ahead, and we are laying the groundwork at SIP to proactively meet these challenges.

SIP's liability program has historically performed well, and this years' experience has continued this positive trend.

This past year, colleagues at SIP implemented strategic and operational changes to bolster our excess insurance portfolio claims processes and Subscriber advocacy. These enhancements will result in positives for our Subscribers in the years ahead.

Providing proactive risk management advice and efficient claims service to our valued Subscribers continues to be the focus of the SIP Reciprocal Exchange. It is through this lens that, after 31 years of operation, we recognize the opportunity to navigate SIP forward to meet the challenges that lie in the years ahead. The last few years have seen property losses increase in both frequency and severity. Coupled with significant growth of the property portfolio, this means we must carry out necessary strategic work now to study and ensure the retentions SIP manages, and the resulting required funding levels, are optimized to meet the long term goals of continued access to insurance and delivery of lowest cost of risk for Subscribers.

Along with the rest of the world, SIP saw the emergence of COVID-19 during Winter 2020. The pandemic has affected much of our daily routines and SIP operations have been no exception. The SIP team has been effectively and efficiently working remotely since mid-March, with no significant impact on operations. Risk management and claims handling capabilities remain robust.

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

- Tender and subsequent selection and appointment of Auditor (KPMG)
- Annual Actuarial Valuation
- SIP's year-end received an unqualified opinion from its actuary PricewaterhouseCoopers
- Audited Financial Statements (Annual)
- SIP's year-end received an unqualified opinion from its auditor KPMG
- Despite an increase in underwriting premiums of $521,602 over 2019, there was no increase in Subscriber premiums due to the level of Rate Stabilization Reserves
- At March 31, 2020, the value of total open claims was $2,060,196
- 2020 claims liabilities were $3,617, 294, an increase of $85,344 from 2019
- Year-end Rate Stabilization Reserves were $5,086,524, well above the actuary's recommended level of $4,000,000
- SIP's Annual General Meeting was held in June 2019

In September of 2019, the SIP Board welcomed three new Directors. Tiffany Joudrey represents the South Shore Regional Center for Education. Scott Surette comes to us from the Tri-County Regional Centre for Education. Pat Murphy also joined representing the Annapolis Valley Regional Centre for Education.

Three Directors left the SIP Board. Trevor Cunningham representing Tri-County Regional Centre for Education, David Jones representing Annapolis Valley Regional Centre for Education and Brian Smith representing South Shore Regional Center for Education. We wish Trevor, David, and Brian all the best in their future endeavors.

Sincere thanks to our Subscribers for their continued support of this program and thanks to our staff for their continued dedication to our Subscribers.

Respectfully submitted,

Janine Saulnier,	Bruce Macdonald,
Janine M Saulnier BSc MBA (Aug 17, 2020 10:46 ADT)	Bruce Macdonald (Aug 17, 2020 22:16 ADT)
Chair, Board of Directors	Chief Executive Officer

SUBSCRIBERS

SUBSCRIBER	DIRECTOR	POSITION
AVRCE	Pat Murphy, B.Ed., M.Ed	Director of Programs and Services
CB-VRCE	Paul Oldford, P.Eng	Director of Operational Services
CCRCE	Herb Steeves, B.Sc., P. Eng, MBA	Director of Operational Services
CSAP	Janine Saulnier* BSc., MBA	Director of Finance and Board Treasurer
HRCE	Terri Thompson, CPA, CGA	Director of Financial Services
NSCC	William Strubank**, B.Sc.,	Manager of Occupational Health and Safety
SRCE	Chris Grover, CPA, CGA	Manager of Finance
SSRCE	Tiffany Joudrey, CPA, CA	Manager of Finance
TCRCE	Scott Surette, BBA	Coordinator of Employment and Labour Relations

* Board Chair
**Board Vice-Chair

SIP LEADERSHIP

BRUCE MACDONALD
BBA, CAIB, CIP
CEO

LEE-ANNE DAUPHINEE
CIP, CRM
Risk Manager

CINDY NORRAD
CPA, CGA, CRM
Controller

DAWN GRAVES
Executive Assistant

REBEKAH TINGLEY
CRM
Risk Management Assistant

MEAGAN SPICER
Claims Assistant

VALENCIA FORREST
Claims Assistant

APPENDIX1

AUDITED FINANCIAL STATEMENTS

Combined Financial Statements of

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Year ended March 31, 2020

KPMG LLP
1959 Upper Water Street, Suite 1500
Halifax NS B3J 3N2
Canada
Telephone 902-492-6000
Fax 902-492-1307

INDEPENDENT AUDITORS' REPORT

To the Subscribers of Nova Scotia School Insurance Exchange

Opinion

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

- The combined statement of financial position as at March 31, 2020
- the combined statement of income for the year then ended
- the combined statement of comprehensive income for the year thenended
- the combined statement of changes in reserves for the year thenended
- the combined statement of cash flows for the year thenended
- and notes to the combined financial statements, including a summary of significant accounting policies

(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, 2020, and its combined financial performance and its combined cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' 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.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditors' report thereon, included in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

The information, other than the financial statements and the auditors' report thereon, included in a document likely to be entitled "Annual Report" is expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 represents 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 4, 2020

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Financial Position

As at March 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Cash and cash equivalents	$ 4,411,451	$ 3,074,455
Investments (note 4)	8,392,050	8,362,312
Loans and receivables	-	31,564
Excess insurance recoverable (note 7)	127,263	-
Other assets	106,030	47,358
Property, plant and equipment (note 5)	7,983	14,322
Total assets	$13,044,777	$11,530,011
Liabilities		
Accounts payable and accrued liabilities	$ 151,545	$ 267,988
Premiums received in advance	4,116,346	2,570,643
Claims liabilities (note 7)	3,617,294	3,531,951
Total liabilities	7,885,185	6,370,582
Subscribers' reserves:		
Rate stabilization reserves (note 10)	5,086,541	4,755,575
Accumulated other comprehensive income	73,051	403,854
	5,159,592	5,159,429
Commitments (note 11)		
Total liabilities and reserves	$13,044,777	$11,530,011

See accompanying notes to combined financial statements.

On behalf of the Board of Directors:

JMS
J M Saulnier (Jun 4, 2020 16:23 ADT)
____________________________ Director

William Strubank
William Strubank (Jun 4, 2020 18:26 ADT)
____________________________ Director

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Income

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Insurance activity		
Written Premiums		
Gross premiums	$ 5,034,012	$ 4,309,039
Underwriting premiums	(3,174,690)	(2,653,088)
Net premiums earned	1,859,322	1,655,951
Claims paid	877,864	1,696,700
Claims liabilities (note 7)	(41,919)	(569,948)
Net claims	835,945	1,126,752
Premiums in excess of claims	1,023,377	529,199
Investment activity		
Investment income (note 4(b))	368,331	297,722
Investment management fees	(40,218)	(41,346)
Net investment income	328,113	256,376
Other expenses		
Insurance operating expenses	11,241	9,658
Operating expenses (note 13)	1,009,283	1,046,255
Total other expenses	1,020,524	1,055,913
Net income (loss)	$ 330,966	$ (270,338)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Comprehensive Income

Year ended March 31, 2020, with comparative information for 2019

	2020	2019
Net income (loss)	$ 330,966	$ (270,338)
Other comprehensive income (loss)		
Available-for-sale financial assets:		
Unrealized (loss) gain on available-for-sale financial assets	(257,360)	234,080
Reclassification adjustments:		
Realized gain on disposal of available-for-sale financial assets	(73,443)	(29,049)
Amortization of premiums and discounts recognized under the effective interest rate method	-	1,895
Total other comprehensive (loss) income	(330,803)	206,926
Comprehensive income (loss)	$ 163	$ (63,412)

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM
Combined Statement of Changes in Reserves

Year ended March 31, 2020, with comparative information for 2019

	RateStabilization Reserves	Accumulated Other Comprehensive Income	Total
Balance, March 31, 2018	$5,025,913	$196,928	$5,222,841
Net loss	(270,338)		(270,338)
Other comprehensive income		206,926	206,926
Balance, March 31, 2019	$4,755,575	$403,854	$5,159,429
Net income	330,966	-	330,966
Other comprehensive loss	-	(330,803)	(330,803)
Balance, March 31, 2020	$5,086,541	$ 73,051	$5,159,692

See accompanying notes to combined financial statements.

NOVA SCOTIA SCHOOL INSURANCE PROGRAM

Combined Statement of Cash Flows

Year ended March 31, 2020 with comparativeinformationfor 2019

	2020	2019
Cash provided by (used in)		
Operations:		
Net income (loss)	$ 330,966	$ (270,338)
Items not involving cash:		
Depreciation of property and equipment	9,240	8,805
Gain on sale of property and equipment	-	(675)
Investment income	(368,331)	(297,722)
IBNR reserve change	(42,156)	(71,055)
Reserve adjustments	127,500	(441,032)
Change in non-cash working capital items (note 15)	(270,814)	102,675
Proceeds from interest income	38,449	60,716
Proceeds from dividend income	249,024	221,184
Premiums received in advance	1,545,703	(1,544,289)
	1,619,581	(2,231,731)
Investments:		
Bonds purchased	(3,151,815)	(1,268,330)
Equities purchased	(147,521)	(241,009)
Proceeds from sale of bonds	2,866,912	2,103,392
Proceeds from sale of equities	152,741	440,906
Proceeds from sale of property and equipment	-	675
Additions to property and equipment	(2,902)	(11,659)
	(282,585)	1,023,975
Increase (decrease) in cash flow for year	1,336,996	(1,207,756)
Cash and cash equivalents, beginning of year	3,074,455	4,282,211
Cash and cash equivalents, end of year	$4,411,451	$ 3,074,455

See accompanying notes to the financial statements

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 150 – 11 Akerley Blvd, Dartmouth, Nova Scotia.

1. Basis of preparation:

(a) Statement ofcompliance:

These combined financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The combined financial statements were authorized for issue by the Board of Directors on June 4, 2020.

(b) Basis of combination

The combined financial statements reflect all the assets, liabilities, revenue, expenses and cash flows of the 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 available-for-sale financial assets, 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:

Thesecombinedfinancialstatementsarepresented in Canadiandollars, 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.

2. Significant accounting policies:

(a) Standards, amendments and interpretations adopted in the current year:

IFRS 16, Leases

IFRS 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains substantially unchanged, such that lessors continue to classify leases as finance or operating leases. IFRS 16 replaces the following: IAS 17, Leases; IFRIC 4, Determining Whether an Arrangement Contains a Lease (IFRIC 4); SIC-15, Operating Leases - Incentives; and SIC-27, evaluating the Substance of Transactions Involving the Legal Form of a Lease.

2. Significant accounting policies (continued):

On adoption of IFRS 16, SIP applied the following:

- a practical expedient to 'grandfather' the previous assessment of which existing contracts are, or contain, leases
- elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. SIP recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

SIP has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The impact of adoption was not material to SIP.

(b) Premiums:

Premiums are earned over the term of the related policy period. As SIP's policy year ends March 31, there are no unearned premiums at March 31. Premiums received in advance relate to premiums received in the current year for the policy period commencing April 1 of the following year.

(c) Financialassets and liabilities:

(i) Financial assets:

SIP accounts for all financial assets using trade date accounting. Transaction costs related to the purchase of financial instruments are recorded as part of the carrying value.

Cash comprises cash on account and demand deposits. Cash equivalents are short term highly liquid investments with an original maturity of less than three months that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

All investments are designated as available-for-sale (“AFS”) securities. AFS securities are carried at fair value whereby the unrealized gains and losses are included in accumulated other comprehensive income ("AOCI") until sale or an impairment loss is recognized, at which point cumulative unrealized gains or losses are included in investment income. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

2. Significant accounting policies (continued):

Loans and receivables, and other financial liabilities (liabilities other than insurance policy liabilities) are accounted for at amortized cost.

(ii) Financial liabilities:

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 or cancelled or expire. SIP has the following non-derivative financial liabilities: accounts payable and accrued liabilities.

(iii) Fair value measurementprinciples:

SIP's financial instruments recorded at fair value have been categorized based upon the following fair value hierarchy:

- Level 1 – quoted price (unadjusted) in an active market for an identical instrument.
- Level 2 – valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.
- Level 3 – valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the Instrument's valuation. This category instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the investments.

2. Significant accounting policies (continued):

(iv) 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.

(v) General investment expenses:

General investment expenses are recognized as incurred.

(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

2. Significant accounting policies (continued):

(e) Claims liabilities:

Provision has been made for the estimated liability for all reported and outstanding claims using a case-basis evaluation plus an amount for adverse development and for claims incurred to March 31, which have not yet been reported to SIP. The computation of these provisions takes into account the time value of money using discount rates based on projected investment income from the assets supporting theseprovisions.

Since the amounts are necessarily based on estimates of future trends in claim severity and other factors which could vary as the claims are settled, the ultimate liability may be more or less than the estimated amounts. Although it is not possible to measure the degree of variability inherent in such estimates, management believes that the unpaid claims amounts and related adjustment expenses are adequate. The estimates are annually reviewed by an actuary and, as adjustments to these liabilities become necessary, they are reflected in current operations.

(f) Additional coverage and other primary insurance coverage:

SIP, on behalf of its Subscribers, obtains additional coverage and other primary insurance coverage. No amount has been recorded related to this other coverage as SIP is not an insurer in these contracts.

(g) 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 oradjusters.

(h) Insurance contracts:

Insurance contracts are those contracts that have insurance risk throughout the term of the contract. Insurance risk arises when SIP agrees to compensate a policyholder if a specified uncertain future event adversely affects the policyholder. It is defined as the possibility of paying significantly more in a scenario where the insured event occurs than when it does not occur.

2. Significant accounting policies (continued):

(i) 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.

(j) Impairment:

(i) Financial assets:

A financial asset carried at amortized cost is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to SIP on terms that SIP would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Impairment losses on AFS investment securities are recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in unrealized gains/losses on AFS financial assets, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognized in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

2. Significant accounting policies (continued):

If, in a subsequent period, the fair value of an impaired AFS debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit or loss. However, any subsequent recovery in the fair value of an impaired AFS equity security is recognized in other comprehensive income.

(ii) 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 AFS 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.

2. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted:

(i) IFRS 17, "Insurance Contracts":

On May 18, 2017 the IASB issued IFRS 17 Insurance Contracts. The new standard is effective for annual periods beginning on or after January 1, 2021 (however, the IASB has tentatively decided to propose deferring the effective date to January 1, 2022). IFRS 17 will replace IFRS 4 Insurance Contracts. This standard introduces consistent accounting for all insurance contracts. The standard requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. Additionally, IFRS 17 requires an entity to recognize profits as it delivers insurance services, rather than when it receives premiums. SIP intends to adopt IFRS 17 in its financial statements for the annual period beginning on April 1, 2021. The extent of the impact of adoption of the standard has not yet been determined.

(ii) IFRS 9, Financial Instruments:

In July 2014, the IASB issued the complete amended IFRS 9, Financial Instruments. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. The restatement of prior periods in not required and is only permitted if information is available without the use of hindsight.

IFRS 9 introduces new requirements for the classification and measurement of financial assets based on the business model in which they are held and the characteristics of their contractual cash flows. It also amends the impairment model by introducing a new "expected credit loss" model for calculating impairment.

The standard also introduces additional changes relating to financial liabilities.

IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model.

2. Significant accounting policies (continued):

In September 2016, the IASB issued amendments to IFRS 4, Insurance Contracts to address accounting mismatches and volatility that may arise in profit or loss in the period between the effective date of IFRS 9 and the new insurance contracts standard, IFRS 17 InsuranceContracts, issued in May 2017.

The amendments introduce two approaches that may be adopted by insurers in the period between the effective date of IFRS 9, January 1, 2018 and IFRS 17, effective January 1, 2021 (however, the IASB has tentatively decided to propose deferred the effective date to January 1, 2022):

- Overlay approach an option for all issuers of insurance contracts to reclassify amounts between profit or loss and other comprehensive income for eligible financial assets by removing any additional accounting volatility that may arise from applying IFRS 9; and

- Temporary exemption an optional temporary exemption from IFRS 9 for entities whose activities are predominately connected with insurance. This exemption allows an entity to continue to apply existing financial instrument requirements in IAS 39 to all financial assets until the earlier of the application of IFRS 17 or January 1, 2021.

SIP evaluated its liabilities at March 31, 2016, the prescribed date of assessment under the temporary exemption provisions and concluded that all of the liabilities were predominantly connected wlth Insurance. Approxlmately 99% of SIP's llabllltles at March 31, 2016 are liabilities that arise from contracts within the scope of IFRS 17 and approximately 99% of SIP's liabilities at March 31, 2016 are liabilities that arise because SIP issues insurance contracts and fulfils obligations arising from insurance contracts. Additionally, SIP has not previously applied any version of IFRS 9. Therefore, SIP is an eligible insurer that qualifies for optional relief from the application of IFRS 9.

As at April 1, 2018, SIP has elected to apply the optional transitional relief under IFRS 4 that permits the deferral of the adoption of IFRS 9 for eligible insurers. SIP will continue to evaluate the impact of IFRS 9.

3. Significant judgments and estimates:

SIP makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Significant judgments:

Significant judgments made in applying accounting policies relate to impairments on AFS financial assets. As of each reporting date, SIP evaluates AFS financial assets in an unrealized loss position for impairmenton the basis described in note 2(i).

For investments in bonds and debentures, evaluation of whether impairment has occurred is based on SIP's best estimate of the cash flows expected to be collected at the individual investment level. SIP considers all available information relevant to the collectability of the investment, including information about past events, current conditions, and reasonable and supportable forecasts. Estimating such cash flows is a quantitative and qualitative process that incorporates information received from third party sources along with certain internal assumptions and judgments. Where possible, this data is benchmarked against third party sources. Impairments for bonds and debentures in an unrealized loss position are deemed to exist when SIP does not expect full recovery of the amortized cost of the investment based on the estimate of cash flows expected to be collected or when SIP intends to sell the investment prior to recovery from its unrealized loss position.

For equity investments, SIP recognizes an impairment loss in the period in which it is determined that an investment has experienced significant or prolonged loss position.

(b) Estimates:

Information about assumptions and estimation uncertainties that have a risk of resulting in material adjustment within the next twelve months relate to claims liabilities.

Provisions for claims liabilities are valued based on Canadian accepted actuarial practice, which are designed to ensure SIP establishes an appropriate reserve on the combined statement of financial position to cover insured losses and claims expenses with respect to the reported and unreported claims incurred as of the end of each accounting period. The policy liabilities include a provision for unpaid claims and adjustment expenses on the expired portion of policies and of future obligations on the unexpired portion of policies. In performing the valuation of the liabilities for these contingent future events, the Appointed Actuary, Pricewaterhouse Coopers, makes assumptions as to future loss ratios, trends, investment rates of return, expenses and other contingencies, taking into consideration the circumstances of SIP and the nature of the insurance policies.

3. Significant judgments and estimates (continued):

The assumptions underlying the valuation of provisions for unpaid claims and adjustment expenses are reviewed and updated by SIP on an ongoing basis to reflect recent and emerging trends in experience and changes in risk profit of the business.

4. Investments:

	2020	2019
Fixed income:		
Pooled bond funds units:		
Government	1,273,293	2,811,891
Corporate	2,128,779	2,575,139
Other	3,099,191	862,538
Equities:		
Common shares	930,311	1,066,231
Mutual and pooled funds units	960,476	1,046,513
	$ 8,392,050	$ 8,362,312

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, 2020, assuming bonds are not liquidated prior to maturity is as follows:

Government pooled bond funds units 0.1 years

Corporate pooled bond funds units 0.1 years

Other pooled bond funds units 0.6 years

The weighted average yield for debt securities based on market value at March 31, 2019 is 1.6%(March 31, 2019 2.6%).

(b) Investment and other income:

	2020	2019
Interest	$ 40,654	$ 46,307
Dividends	254,234	222,366
Gain on sale of investments	73,443	29,049
	$ 368,331	$ 297,722

Dividends includes re-invested dividends of $13,713 (2019 - $8,949) related to mutual funds and short term investments.

5. Property and equipment:

	Furniture and equipment	Computer hardware	Leasehold improvements	Total costs:
Balance, March 31, 2019	$ 82,954	$ 59,880	$ 8,759	$ 151,593
Additions	1,982	920	-	2,902
Disposals	-	(477)	-	(477)
Balance, March 31, 2020	84,936	60,323	8,759	154,018
Accumulated depreciation:				
Balance, March 31, 2019	80,810	50,121	6,340	137,271
Depreciation for the year	1,973	6,453	814	9,240
Disposals	-	(476)	-	(476)
Balance, March 31, 2020	82,783	56,098	7,154	146,035
Carrying amounts:				
Balance, March 31, 2019	$ 2,144	$ 9,759	$ 2,419	$ 14,322
Balance, March 31, 2020	$ 2,153	$ 4,225	$ 1,605	$ 7,983

6. 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 2020 and 2019.

6. Limits of liability (continued):

(b) Property insurance:

The limit of liability for property 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 is $5,000. Thesepolicy liability limits were in effectfor both fiscal years 2020 and 2019.

(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 2020 and 2019.

7. Claims liabilities:

(a) Nature of claims liabilities:

Claims liabilities are estimates subject to variability and the variability could be material in the near term. The variability arises because all events affecting the ultimate settlement of claims have not taken place and may not take place for some time. Variability can be caused by receipt of additional claim information, or significant change in severity or frequency of claims from historical trends. The estimates are principally based on SIP's historical experience. Methods of estimation have been used which SIP believes produce reasonable results given current information.

SIP strives to establish adequate claim liabilities at the original valuation date. However, as time passes, the ultimate cost of claims becomes more certain. During 2020, SIP experienced favorable claims development of $1,024,987 (2019 - unfavorable claims development of $42,252).

The table below details the claim liabilities by risk categories:

7. Claims liabilities (continued):

	2020 Gross	2020 Net	2019
Property	$ 904,543	$ 760,315	$ 521,475
Comprehensive general liability	2,488,152	2,503,712	2,787,498
Educational errors and omissions	224,599	226,004	222,978
	$ 3,617,294	$ 3,490,031	$3,531,951

Management has concluded that the best estimate of the fair value of claims liabilities currently available is the amount calculated by the Appointed Actuary. The Actuary's calculated value as at March 31, 2020 amounted to $3,617,294 (2019 - $3,531,951).

(b) Discounting of the claims liabilities

The provision for claims liabilities is discounted using rates based on the projected investment income from the assets supporting the provisions, and reflecting the estimated timing of payments and recoveries. The discount rate used in the valuation was .79% (2019 - 1.39%).

The provision estimates are as follows:

	2020		2019	
	Discounted	Undiscounted	Discounted	Undiscounted
Gross provision	$3,617,294	$3,314,135	$3,531,951	$3,274,924
Excess insurance recoverable	(127,263)	(123,280)	-	-
Net provision	$3,490,031	$3,190,855	$3,531,951	$3,274,924

Undiscounted provisions reflect the estimated claims and related expenses prior to the effect of discounting and provision for adverse deviation ("PFAD") determined by the appointed actuary.

(c) Insurance contract provision:

	2020 Gross	2020 Net	2019
Notified claims	$ 2,060,196	$ 2,060,196	$ 1,932,697
Claims incurred but not reported	1,557,098	1,557,098	1,599,254
Excess insurance recoverable	-	(127,263)	-
	$ 3,617,294	$ 3,490,031	$ 3,531,951

7. Claims liabilities (continued):

(d) Analysis of movements in insurance contract provisions:

	2020	2019
Balance, April 1	$ 3,531,951	$ 4,044,038
Current year claims and expenses	2,101,258	1,396,699
Prior year (favourable) unfavourable development	(1,024,987)	42,252
Total claims incurred	4,608,222	5,482,989
Increase (decrease) due to changes in discount rate and PFAD	42,026	35,200
Claims and related expenses paid	(1,160,217)	(1,986,238)
Excess reinsurance recoverable	127,263	-
Balance, March 31	$ 3,617,294	$ 3 ,531,951

(e) Methodologies andassumptions:

The provision for claims liabilities is an estimate that is determined using a range of accepted actuarial claims projection techniques determined based on the line of business. The reported amount is based on studies of past experience. The key assumption of the incurred loss/paid loss claims development method is that claims recorded to date will continue to develop in a similar manner in the future. These techniques use SIP's historical claims development patterns to predict future claims development. In situations where there has been a significant change in the environment or underlying risks, the historical data is adjusted to account for expected differences. The historical studies are regularly compared to current emerging experience so that adjustments may be made as necessary.

In order to calculate the carrying value of the unpaid claims, SIP uses an actuarial approach recognizing the time value of money which incorporates assumptions concerning projected cash flows and appropriate provisions for adverse deviations. The actuarially determined carrying value of claims liabilities is considered an indicator of fair value, as there is no ready market for the trading of insurance policy liabilities.

The provision for claims liabilities is discounted as described in note 7(b).

7. Claims liabilities (continued):

(f) Changes in assumptions:

Consideration is given to the characteristics of the risks, historical trends, the amount of data available on individual claims, inflation and any other pertinent factors. Some assumptions require a significant amount of judgment such as the expected future impacts of future judicial decisions and government legislation. The diversity of these considerations result in it not being practicable to identify and quantify all individual assumptions that are more likely than others to have a significant impact on the measurement of SIP's insurance contracts. There were no assumptions identified in the year or the preceding year as having a potential or identifiable material impact on the overall claims estimate.

(g) Sensitivity analysis:

There is uncertainty inherent in the estimation process. The actual amount of ultimate claims can only be ascertained once all claims are closed. Among all the lines of business, general liability line of business has the largest unpaid claims liabilities. Given the nature of this line of business and the fact that it has a very long tail, this line's estimate is the most critical to the assumptions used. If the tail factor selection on this line of business was 5% higher, the net claims liabilities would be $181,436 higher. The effect on net profit would be a reduction of $162,544. If the expected loss ratios used were 5% higher in all loss years, the net claims liabilities would be $113,004 higher, generating a reduction of $125,913 in net profit. Changes in assumptions on other lines of business are considered to be less material.

(h) Claims development tables:

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

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Year ended March 31, 2020

7. Claims liabilities (continued):

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Estimate of ultimate claims costs:										
End of accident year	$ 816,833	572,423	882,851	1,333,358	2,114,966	1,555,249	1,528,026	1,527,943	1,166,928	1,838,230
End of one year	904,844	475,390	766,990	1,437,403	2,130,188	1,273,502	1,450,630	1,477,497	861,324	
End of two years	769,622	477,723	631,688	1,308,691	2,143,406	1,323,401	1,270,054	1,268,977		
End of three years	810,358	416,578	552,798	1,321,573	2,125,775	1,300,923	1,262,718			
End of four years	727,998	433,836	516,117	1,203,630	2,126,823	1,297,999				
End of five years	632,264	399,747	474,649	1,577,608	2,146,371					
End of six years	632,777	349,282	472,464	1,212,789						
End of seven years	607,127	353,415	487,597							
End of eight years	566,042	346,338								
End of nine years	564,764									
Current estimate of cumulative claims	564,764	346,338	487,594	1,212,789	2,146,371	1,297,999	1,262,718	1,268,977	861,324	1,838,230
Cumulative claims payments to	(562,311)	(343,118)	(372,906)	(1,031,843)	(2,001,475)	(1,135,999)	(1,085,771)	(1,064,018)	(350,804)	(562,894)
Liability Recognized	2,453	3,220	114,688	180,946	144,896	162,000	176,947	204,959	510,520	1,275,336

Total all claims	2,775,963
Liability in respect of prior years	55,581
Balancing item	482,591
Excess insurance recoverable	(127,263)
Effect of discounting**	303,159
Totalnet claims liabilities	$ 3,490,031

**Effect of discounting includes the provision for adverse deviations

8. Financial risk management:

The primary goals of SIP's financial risk management policies are to ensure that the outcomes of activities involving elements of risk are consistent with SIP's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting SIP's combined statement of financial position from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risk through preventive controls and transferring risk to third parties.

SIP's exposure to potential loss from financial risks is primarily due to underwriting risk along with various market risks, including interest rate risk and equity market fluctuation risk, foreign currency risk, liquidity risk, as well as credit risk.

(a) Underwriting risk:

Underwriting 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.

(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.

8. Financial risk management (continued):

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 lossrisk:

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.

(b) 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, 2020		March 31, 2019	
	Fair value	% of total	Fair value	% of total
High (AAA, A-)	$ 3,144,732	48.48%	$ 3,930,198	63.02%
Medium (A+, BBB-)	3,292,984	50.77%	2,273,129	36.45%
Low(BB+ and under)	48,757	.75%	33,543	.53%
	$ 6,486,473	100.00%	$ 6,236,870	100.00%

8. Financial risk management (continued):

(b) Credit risk (continued):

(ii) Aggregated credit risk:

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

	2020	2019
Investments in bonds	$ 6,486,473	$ 6,236,870
Accrued investment income, including interest	18,130	15,925
Accounts receivable	--	31,564
Cash and cash equivalents	4,411,451	3,074,455
	$ 10,916,054	$ 9,358,814

(c) 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, 2020, SIP has $4,411,451 (2019 - $3,074,455) 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.

8. Financial risk management (continued):

Expected payout pattern of unpaid claims as at March 31, 2020:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 1,244,667	$ 1,366,654	$ 519,253	$ 60,281	$3,190,855

Expected payout pattern of unpaid claims as at March 31, 2019:

Within 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
$ 864,326	$ 1,662,952	$ 704,254	$ 43,391	$3,274,923

(d) 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.

8. Financial risk management (continued):

As at March 31, 2020, 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 $160,216 (2019 – $181,493), representing 2.47% (2019 – 2.91%) of the $6,486,473 (2019 - $6,236,870) fair value fixed income securities portfolio, and decrease the value of unpaid claims reserves by $86,202 (2019 - $102,775), 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 $65,513 (2019 - $192,719) and increase unpaid claims reserves by $35,166 (2019 - $109,268). 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 AFS 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.

8. Financial risk management (continued):

As at March 31, 2020, management estimates a hypothetical 10% increase in equity markets, with all other variables held constant, would impact OCI byapproximately $26,001 (2019 - $12,275). A 10% decrease in equity prices would have the corresponding opposite effect, impacting OCI by the same amounts. Equity instruments comprise 22.5% (2019 25.3%) of the fair value of SIP's total Investments.

(iii) Foreign exchangerisk:

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, 2020, SIP held $676,419 in US equities (2019 $727,043).

As at March 31, 2020, 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 $3,255. 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.

9. Fair value measurement:

Thefollowingpresents SIP's financial Instruments measured at fair value by hierarchy level:

	March 31, 2020		March 31, 2019	
	Fair value	Cost	Fair value	Cost
Level 1				
Investments	$930,311	$ 889,990	$1,066,231	$841,456
Level 2				
Investments	$7,461,739	$7,281,446	$7,296,081	$7,117,006
	$8,392,050	$8,171,436	$8,362,312	$7,958,462

There were transfers of $29,737 between Level 1 and Level 2 in the period. There were no fair value measurements classified as Level 3.

10. 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
Balance, March 31, 2019	$ 3,787,599	$ 967,976	$ 4,755,575
Netincome	330,966	--	330,966
Required transfer to and from restricted reserves	(101,685)	101,685	--
Balance, March 31, 2020	$ 4,016,880	$ 1,069,661	$ 5,086,541

(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 May, 2019, actuarial review of the minimum capitalization required for SIP (based on March 31, 2018 actual results), a conservative level of capital has been determined to be in the range of $4,000,000. 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 brokerfees.

10. Commitments:

SIP is committed to immaterial equipment leases subject to the practical expedients within IFRS 16 and software maintenance agreements which expire on various dates. Minimum payments for each of the next threeyears are as follows:

	Other
2021	52,770
2022	52,770
2023	52,770

11. Capital management:

Capital is comprisedof S IP's Rate Stabilization Reserves. As at March31, 2020, SIP's capital was $5,086,541 (2019 - $4,755,575). 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 internallydetermined capitalguidelinesbased on risk managementpolicies.

12. Capital management (continued):

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

Theminimum capitallevels for SIParemonitored by their regulator, the Office of the Superintendent of Insurance for the Province of Nova Scotia.

13. Operating expenses:

	2020	2019
Salaries and contracting out	$ 487,227	$ 460,183
Risk	161,605	169,094
Rent and related expenses	83,069	79,906
Professional	59,427	79,110
Data	96,420	115,631
E&O coverage for staff and directors	42,750	37,000
Translation and student accident insurance promotion	3,594	14,332
Board and committee meetings	18,373	15,483
Depreciation	9,240	8,805
Office	13,019	12,600
Print and website	5,363	16,991
Telephone and communications	9,199	10,514
Professional development and dues	18,376	19,671
Other miscellaneous	1,621	6,935
	$ 1,009,283	$ 1,046,255

14. 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 $272,556 (2019 - $240,999) related to salaries and other short-term employee benefits. No other benefits were paid.

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

15. Changes in non-cash working capital items:

	2019	2019
Loans and receivables	$ 31,564	$ (30,574)
Excess insurance recoverable	(127,263)	--
Other assets	(58,672)	65,570
Accounts payable and accrued liabilities	(116,443)	67,679
	$ (270,814)	$ 102,675

16. Comparative information:

These financial statements contain certain reclassifications of prior year amounts to be consistent with the current period presentation.

Appointed Actuary's Expression of Opinion

To the members of the Nova Scotia School Insurance Exchange:

I have valued the policy liabilities of the Nova Scotia School Insurance Exchange for its statement of financial position at March 31, 2020 and their changes in the statement of income for the year then ended in accordance with accepted actuarial practice in Canada, including selection of appropriate assumptions and methods.

In my opinion, the amount of policy liabilities makes appropriate provision for all policy obligations and the financial statements fairly present the results of the valuation.

The results of my valuation together with amounts carried in the Financial Statements are the following:

Claim Liabilities	Carried in Financial Statements ($)	Appointed Actuary's Estimate ($)
(1) Direct unpaid claims and adjustment expenses	3,617,294	3,617,294
(2) Assumed unpaid claims and adjustment expenses	0	0
(3) Gross unpaid claims and adjustment expenses	3,617,294	3,617,294
(4) Ceded unpaid claims and adjustment expenses	0	0
(5) Other amounts to recover	127,263	127,263
(6) Other net liabilities	0	0
(7) Net unpaid claims and adjustment expenses (3)-(4)-(5)+(6)	3,490,031	3,490,031

Premium Liabilities	Carried in Annual Return ($) (Col. 1)	Appointed Actuary's Estimate ($) (Col. 2)
(1) Gross policy liabilities in connection with unearned premiums		0
(2) Net policy liabilities in connection with unearned premiums		0
(3) Gross unearned premiums	0	
(4) Net unearned premiums	0	
(5) Premium deficiency	0	0
(6) Other net liabilities	0	0
(7) Deferred policy acquisition expenses	0	
(8) Maximum policy acquisition expenses deferrable $[(4)+(5)+(9)]_{\text{Col. 1}} - (2)_{\text{Col. 2}}$		0
(9) Unearned commissions + Ceded Deferred Premium Taxes + Ceded Deferred Insurance Operations Expenses	0	

Carol Desbiens

Signature________________________

Carol Desbiens,
Fellow, Canadian Institute of Actuaries
May 25, 2020

APPENDIX2

SIP WINTE R N EWSLETTER

Volume 6 • No.1
WINTER 2020

riskwrite

BRACE YOURSELF...HERE COME THE

ROARINGTWENTIES

20/20

Wecan'tseewhat'scoming.

Butwe<u>can</u> preparefor it.

SIP
School **Insurance** Program

Not for profit.

Weather Watch

C O VE R ST O R IE S

Due Diligence

SIP Stuff

24/7 Emergency 902.448.2840

DORIAN

Throughout the day and evening of Saturday, September 7, 2019, Hurricane Dorian brought high winds and heavy rain to most areas of Nova Scotia. In the days leading up to the arrival of Dorian, it was very reassuring to witness the high level of preparation undertaken by your Regional Centres for Education, CSAP and NSCC to mitigate potential damage from the approaching storm.

At SIP we were busy as well ensuring our internal colleagues and external resources – adjuster and restoration contractors – were staffed and ready for the certain challenges that lay ahead in the aftermath of Dorian's passage.

As expected with any weather event of Dorian's magnitude we did experience wind, rain and power outage related property damage claims. I am pleased to reflect on the positive efforts from all those involved, from initial damage reporting during and after the storm, through to where we are today.

It truly has been a team effort.

With climate change and associated weather pattern changes, our province may see significant weather events such as Dorian occur on a more frequent basis. I am confident we will be able to meet these challenges in the years ahead relying on SIP's strong partnership with our Regional Centres for Education, CSAP and NSCC.

Dorian has also reminded us that when claims occur there are certain protocols and responsibilities from an insurance perspective that must take place. This newsletter and future newsletters will outline responsibilities from initial claim notification to investigation and conclusion.

As a final note, our office recently sent out our annual Subscriber survey. We view these surveys as opportunities to gain valuable feedback from our Subscribers in how we are providing service and how we might better provide service. To this end, we will be reviewing responses carefully and thoughtfully and will look to communicate highlights in a future newsletter.

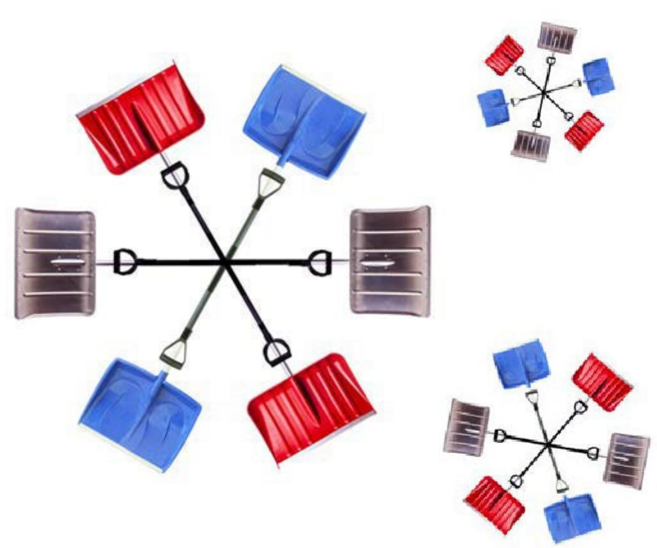
Bruce Macdonald, CEO

SLIPS TRIPS & FALLS

Managing Risk During Nova Scotia Winters

ithwinteruponus, we cancertainly count onourfair shareofsnow,iceand freezing temperatures in NovaScotia.Asitisthelegal responsibility ofschools to reduce the potential forinjurytostudents,staff, andguests,thesetypes of weather conditions present a variety of hazards and challenges.

Duetoiceandsnowaccumulationalong withreducedvisibility,itisnosurprise thatslips,trips,andfallstendtoincrease significantly during the winter months. Having an effectivesnow and ice removal planinplace,whichincludesprepar- ing staff with protocols tofollow before inclement weather begins, can certainly help control this exposure.



***SIP**ishappytoreviewanycertifi and contract insurancelanguage onyourbehalf atmail@sip.ca*

Snow Removal Contractors

One of the biggest components of yoursnowandiceremovalplanis thecompanychosenasthesnowremoval contractor. Manytimes, miscommunica- tionbetweenschoolstaffandthesnow removal contractor regarding where areas of responsibilitybegin and end, leads to slipperysurfaceswhichresultininjury.

Amongthemanythings toconsiderwhen choosing acontractoris the company's *expertise, capabilities, reputation and responsetime.* Theirservicesmaybenec- essaryduringearlymorninghoursbefore schoolstarts,duringthedayandwellinto theeveningto *accommodatecommunity eventsandotherusersofthe facility.*

Youmaywant to *meetwithyourcontrac- tor*priortotheonsetofwinterweatherto discuss yourexpectations fortheseason and *do awalk-through* noting any areas withspecificinstructionsorconcernsto beaddressed.Makesuretheyareaware oftheimportanceof*informingyouimme- diately* of anyincidents or concernsthat come to their attention.

To ensure everyone is aware of their responsibilities, you will want to *follow uponverbaldiscussions* with a written agreement/contract. These types of agreements/contractsshouldbevetted throughlegalcounselandtermsshouldbe reviewedannually.Inadditiontothescope ofwork,theagreementshouldinclude *hold harmless and indemnity clauses,* alongwitha requirementthatthecom- panyprovideproofofbothcommercial generalliabilityandautomobileliability limitshowing a minimum of *$2 million* each and having the Centre/CSAP/NSCC listedasanadditionalinsured on thepolicy.

This should bepresented in theform of a certifi ofinsurance,whichspecifi referencestheactivitiestobeperformed and showing the Centre/CSAP/NSCC as thecertifi holder. *Additionally, evi- dence of Workers Compensation should berequested.* SIPstaff is happy toreview anycertifi andcontractinsurancelan- guageon yourbehalf.Ifyouareinterested in having us do so, pleasesenditforward tousatmail@sip.ca.

Entrances, Exits, Walkways and Hallways

It isclearthatsnowandiceremovalshould focusonwalkways,parkinglots,entranc- es,and otherhigh pedestrian traffi areas; however,itis possiblethatnotallareasthe schoolisresponsibleforwillbetakencare ofbyasnowremovalcontractorandcare must be takenby schooland/orproperty staff to *mitigateslippery and/ordanger- ous conditions.*

Inadditiontotheparkinglot,*allpathways and walkways* should becompletely clearedbeforeemployees andstudents arriveinthe morningandthis should continuethroughouttheday.Snow removingequipmentandsalt/sandshould be readilyavailableforuse,anda planfor wheretheshoveled/plowedsnow will be piledshouldbedetermined.Itisimportant to remember to *keep items such as fi e hydrants, the path for oil delivery and sprinkler control valves free and clear at alltimes*, and to becognisantthat snow andotherdebrisdonotpileup to obstruct signageorviewoftraffi

Anyexcess ice and snow build up on the roofs near trafficked areas should beremovedtoreducethepotentialof itstrikingsomeone.

*Moppuddlesandwetareason fl im- mediately*andregularlytopreventwater accumulation; ensurewet fl warning signs arevisible.

Floor mats should be placed at all en- trancesandshouldbedurableenoughto handletheexpectedfoottraffi whilecon- tinuingtolay fl Matsshouldbechecked onaregularbasis tomakesurethey havenot created atripping hazard and should be *changed if they become overly saturated.*Encourageboth employeesand students to report any areas that require attention.

Keep track of your snow andice removal activitiesin alogbook.Thisshouldinclude thedate,time,weather,actiontaken,com- mentsandinitials.Ifyouarecurrentlynot using a loggingsystem, pleasecheck with your Centre/CSAP/NSCC or contact SIP forasample.

Slip/Trip/FallIncident

Despiteallthebesteff *slips and fallswillhappen* duringthewinterinour province.Ifyouhaveanincidentatyourlo- cationadviseyourprincipal,followCentre/ CSAP/NSCC policies and procedures and ensurea SIPonlineincidentreportform iscompleted.

Formoreinformation abouthowto betterprepareforwinter,pleasevisit theSIP websiteat www.sip.caor contact usat *mail@sip.ca*

If a student has been injured at your school or a Centre for Education/CSAP/NSCC approved event—*do you know what to do?*

Every eligible student

enrolled in the Nova Scotia public school system and NSCC is automatically insured by the School Insurance Program's Basic Student Accident coverage. This coverage is purchased by SIP and SSQ Insurance Company is the insurer.

Included are all students registered under the Home-Schooling program and all students enrolled in the NSISP who are covered under Blue Cross.

Coverage is provided *without deductible* and at *no cost* to students, parents/guardians or schools. Basic Student Accident Insurance covers students during school hours, while at school activities, and traveling to and from school.

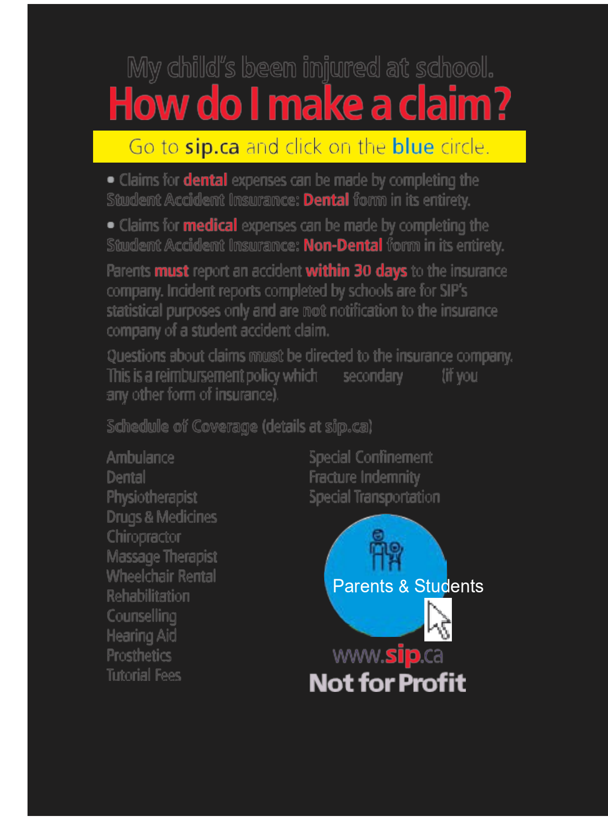
If a student is injured during these hours, the *first step* is to file an *incident report.* A school administrator can do this by visiting www.sip.ca.

NOTE: filing an incident report does not initiate a claim for student accident. In order to initiate a claim, the following steps should be taken:

- Advise the parents there *may be coverage* for their child through student accident
- Direct the parent/guardian to visit *www.sip.ca*
- Click on *Parent & Students* and then *Student Accident*
- Click on *Forms & Policies* and then choose *Dental* or *Non-Dental* (depending on the situation)
- The first section of the claim form should be filled out by a *parent/guardian*
- The section entitled *School Declaration* on the claim form is to be filled out by the *school administrator*
- There is also a section of the claim form that *must* be filled out by the *attending physician* (exceptions: if the claim is for an ambulance bill only or for claims of $100.00 or less)
- Once the form is completed by all parties, receipts and claims forms can be sent via email to claims.spgroup@ssq.ca However, claimants *must keep* the original forms should SSQ require them for audit purposes. Faxed copies are *not* acceptable.

NOTE: It is the responsibility of the parent/guardian to submit a claim on behalf of their child.

An important thing to remember is student accident coverage is a *reimbursement policy.* This means that parents *must pay up front* and will be reimbursed by SSQ Insurance Company. It is also important to remember that student accident coverage is *second payer.* This means that if a parent/guardian has private insurance, this private insurance would act as *first payer.* If further coverage is required, student accident would then apply.



*

There is an optional Gold Plan available for purchase that would extend coverage for students outside of school hours and activities around the clock (24/7) .

The cost to the parent/guardian per YEAR is:

$**14** per **1** student;
$**28** for **2** students; or
$**35** for **3**+ students

*Please note that the Gold Plan is *not available* for Nova Scotia Community College Students or Nova Scotia International Students. SIP staff are always available to assist with any questions regarding Basic and Gold Plan Coverage.

The SIP Insurance Claim Process

24/7/365

Being tasked with the responsibility of handling propertydam-ageand/orinjuryclaims withinyourschoolmay feel a bit intimidating. The School Insurance Program (SIP) ishere tohelpyouthrough this process.

SIP

SIP has an emergency phone that is staffed by a teammember 24/7/365. This ensures we always remain connected and available to you.

Whether you encounter a property related issue, such asfire or a roof leak, orsomeonehassustainedan injurywhile on school premises, you can contact us, and we willhandletheinsuranceaspect of the matter.

SIP's emergency phone# isstaffed bya teammember 24/7/365

902.448.2840

PropertyClaims

Once we receive your call, SIP will send an insuranceadjuster,andlikely arestoration company, to assess the damageand get anyrequiredcleanupunderway.

Our adjuster will work with you and/or your staff to ensurethe school is up and running quicklyandwiththeleastamountofinterrup-tionas possibleto yourschool's day-to-day activities. SIP willcontinuetoassist you untiltheclaim isfinalized.

Liability(Injury)Claims

We ask that schools complete an online SIP incident reportformfor all injuriesand incidentsthatoccuronschoolpropertyas soonaspracticable,orimmediatelywhen emergencymedicalattentionisrequiredor thereareinjuries tothe head, neck orback. If aseriousinjuryoccurs, pleasedonot hesitate to call us via SIP's emergency phone. 902.448.2840

Should an injury occur,it is important that youdonotadmitfaultorliability;however, it is fine to check on the injured partyand toexpressconcernfortheirwellbeing.

If the injured party is a student, we encour-ageyoutomaketheparentsawareofstudent accidentinsurancewhich mayassisttheparentsinrecoupingsomeoftheinjury-related costs(i.e.:ambulance).Studentaccident is ano-faultpolicyandisavailabletoevery studentintheprovincefreeofcharge.

For more information on student accident, please visit our website at **www.sip.ca**

Onceour office receivesthe incident report, ourtrainedteamwillreviewittodetermine if it haspotential to resultin a claim. Tomake thisdetermination, *we may contact you* to getadditionaldetails,andifwarranted,we will assign an insuranceadjuster togather statementsandfactsabouttheincidentand potentially involve our legal counsel.

We ask that you cooperate withadjusters and legal counselassigned by SIP and to keep the information surroundingtheinvestigation confidential.Pleasedonotdiscussthematter withanyone – includingtheinjuredparty (and their parents) or other employees within the school.

Once legal counsel and an adjuster have beenassigned,wewillinstructthemtohandle the matter on ourbehalf to thefinalization of thematter.Yourcooperationiscritical in help-ingdefendtheclaimshould the injuredparty takeactionagainsttheschool/Centre/CSAP/ NSCC for their injuries.

If you receive any calls correspondence or legal documents from lawyers or adjusters (otherthanthose assigned by SIP), regarding an incidentthat occurred onyour school premises, please direct them to our office andwewillhandlethingson yourbehalf.

If you have any questions or are ever uncertain about what to do, please do not hesitate to contact ouroffice.

IncidentReporting

SIPreceivesmanyinquiriesregardingourincidentreportingprocess. Thefollowing addresses some of the most frequently askedquestions.

When should an incident report be completed?

An incidentreport shouldbe completed*wheneverthereisan injuryonyourpremises.*Thisappliesnotonly tostudents,butto employeesandevenvisitorsto theschool.Infact,whenanyone is injuredonschoolproperty,or whileinvolvedinaschool-sanctionedactivity,(onoroffschool property), an incident report shouldbecompleted.

Is it OK to have the injured person fill out the incident form?

No. These formsare to be completed by aschoolemployee only.Completedformsshould be reviewedbytheschoolprincipal before being submitted.

Does filling a SIP incident report activate a Student Accident Claim?

Completing a SIP incident report does NOT initiate a student accident claim.Parentsmust report theirchild'sinjuriestothestudent accident insurer(SSQ) within 30 daysofthe dateofthe accident. Forallclaimformandpolicywording inquiries, parentsshould be directedtowww.sip.ca.

There is asectionon theform called"SchoolDeclaration" – this is the only sectionthat is to be completed by an employee oftheschool.

Do we give a copy of the incident report to a parent, student or other injured party?

No. Theseforms arefor SIPand schoolinternaluseonly.Theyare compiled and used by SIP for statistical and investigation purposesandshould*never* be given to the injuredparty.

How long should the school or NSCC campus keep a copy of the incident report form?

Incident reports should be kept for *oneyear* fromthe dateofthe incident.

I am unable to proceed to the next page. Is thewebsite down or notworking properly?

No. Ifinformationisincomplete orinthewrong format, it willnot allowyoutoproceedtothenext page.Example:Whensubmitting aphonenumberforwitnesses, makesuretofollow902.480.2161 format - (the dot must beplaced in between the numbers.)

Wherecan I fill out an incident report?

Online at www.sip.caunderthe *Teacher's& Staff* link; click incidentreportforms.Thelogin is *sip*& thepassword is *student* (both are lowercase).

Is there a timeframe in which an incident report should be filledout?

Completean incidentreportas soon as possible. It should be filledout immediately ifmedical attention is requiredor thereare injuriesto the head,neckorback.

I have already submitted my incident report, but I have additional information to add. *What do I do?*

Pleaseemail SIPwith anychanges tothereportalongwiththename oftheindividualforwhomthe report was submitted.

If yourequirefurtherinformation, please feel free to email us at mail@sip.caand wewill be pleasedtoassistyou.

Welcometo 2020

Now wemustall go through that phase where muscle memoryhasuswritingdownthe wrong year whenever we need to datesomething.Thisyearthere isonemorethingto remember.

When you sign and date legal documents do not use "20" as a substitute or abbreviation for "2020".

According to law enforcement, usingthe abbreviationcouldput youat anincreasedriskoffraud. Adateshouldbewrittenas ...ry *1, 2020.*

...viatedit... ...hatso... ad... ...nu... ch... ...ear.

Forexample,04/01/20could easilybechangedto 04/01/2017, givingscammersanopportunity to defraudyou.

Imagineyou signed acontract binding youto something from 2/1/20through4/1/20.

...eonecouldchangethos... ...anyotheryearthi... ...ddrasticallych... y... ...ent.

InsteadofworkingfromFebruary 2020throughApril 2020, it could showyouagreedtoworkfrom February2005throughApril 2040.

Just about any hand-written date issubjectto this possibility but ...sandlegaldocument... ...articularly... ...vice a... con... ...ensi... ...egal or p... ...do...

... ...tiall... ...ome ...wnthe...

20/20

Announcement

Weareproudtoannounceand wouldlike tocongratulateour Risk Management Assistant, RebekahTingley on successfully completing her CRM (CanadianRiskManager) designation. The CRM is a widely recognized qualification thatprovidesriskmanagersa foundation of knowledge and skillsusedto identify,assess, monitorandlimitrisk.

CongratulationsRebekah!

Weare excitedtohelp you continueyourpath inthe completion of your CIP next year.

NOW AVAILABLE FROM SIP

guard.me

SCHOOL TRIP & MEDICAL INSURANCE

Going on a school trip and need travel medical insurance?

SIP ispleased toadvisethat we continue to partnerwithguard.me tomaketravel health insurance available for our schools.

guard.me health insurance plan providesforfull payment, without co-insuranceor deductibles, fordoctors' visitsand hospitalizationsformedicallyrequired urgentcare, aswell asforparamedicalcare,medicinesand urgentdentalcare. Go to sip.caand select*Teachers& Staff*, select*Trips*and click on *TripInsurance*.

TOAPPLYFOR COVERAGE, SEND AN EMAIL TO:
ADMIN@GUARD.ME
IFYOUHAVECOVERAGEQUESTIONS,PLEASEEMAIL:
MEGAN@GUARD.ME

Who can apply for guard.me insurance?
guard.me isdesigned specifically to meetthe needs of travelinsuranceforschooltrips.Eligibleapplicantsinclude:
· *Students* · *Teachers* · *Volunteers/chaperones*
· *Schoolfacultyandstaff*
Youwill receiveconfirmationfrom guard.me that your applicationhas been processed andapproved. IDcards will be deliveredto the school; SIP willinvoicethe school for thepremium.

How does the school get coverage for the school trip?
Gotosip.caandselect*Teachers&Staff*, select*Trips*andclick on*TripInsurance:*
- Review the following available coverages
guard.me Canada–forschool trips within Canada foremergencytravelinsurance.
guard.me Global–forschool trips outside of Canada for emergency travelinsurance.
- Selecttheoptionthat youwouldliketo purchase.
- Sendanemailto:admin@guard.meandrequestan application for coverage.
- Completetheapplicationforthose ontheschooltrip that wantcoverage.
- Sendto:admin@guard.meforaquoteoncoverage.
- Thequotewillbesent byemailtotheschool.
- The schoolcanrequest coverage through guard.me. Guard.mewillactivate coverageandissue IDcardsfor all travellerscoveredby guard.meand send by email.
- SIP willinvoicetheschoolforthecoveragepremiums.

How to make a claim?
Gotosip.caandselect*Parents&Students* and click on *TravelInsurance*.

School Trips

What to know...beforeyou go.

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

Weget questions onfield trips that rangefromtrips to the librarytotripsto Europe.Ourwebsitenowhas a newfeaturethatwillhelpyoutellus aboutyourtrip andansweranyquestionsyoumayhave.Followthese simplestepstosubmityourinquiry:

1. Goto *www.sip.ca*
2. Select *Teachers*...and *Staff*...and login (user name: *sip* password:*student*)
3. Selectthe*Trips*tab

Completetheformandsubmit toSIPstaffand wewillgetback to you as soon as we can. Please remember to fileyourtrip itineraryfor alltrips outsideof 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 form**...what should you do ?**

Here is a quickreferencechart to assistyou:

Activity	ActiontoTake
Businessoff activitiesforstudents	Donotsign
Fieldtripsorsportsactivities	Do not sign
Leasingofspace	Sendthecontracttoyour Centre/CSAP/NSCCoffi orSIP
Rentalofequipment	Sendcopyof contracttoyour Centre/CSAP/NSCCoffi orSIP
Groupagreement	Do notsign
Notsure	SendtoSIPandwewillassistyou

Do not sign onthe dottedline unlessyou haveauthority from your Centre/CSAP/NSCC to sign a legal contract on their behalf.

Forfurtherinformation,see*RiskWrite*"Tosignornottosign" atsip.caunder *Risk Management Advice > Contracts*

SafeSchools

On-linetraining foryouremployees brought to youcompliments of SIP

heSchoolInsuranceProgramispleasedto continueto be partneredwith *SafeSchools Online Training*. SafeSchoolscourses are specifi-callydesignedforschoolemployees.Thetraining coursesareauthoredbyschoolexpertsandare available from any internet appliance—computers, iPads and even smartphones with internet access.

EachparticipatingRegionalCentreforEducation/ CSAP/NSCC have their own SafeSchools training site. SafeSchools training can track group or instructor-ledtraining, anditalsotracksindividual eLearningtraining.RegionalCentresforEducation, CSAP and NSCCcan evenuploadtheirpoliciesand track acceptance of them as well. Administrators willenjoyreal-timeprogressreportsbyschool andevenacrosstheentireorganization.

SafeSchools continues to localize many of its coursesandtherearemanycoursesthatareready foryoutoday! Aswell,therearecourses in French, and more in the making.

Weareconfidentthiswillbeagreatresourceforall employeesinyourRegionalCentresforEducation, CSAP and NSCC. Students will benefit from safer environments as well.

For further Information and/orto connectwithyour Centre's/CSAP/NSCC SafeSchools representative, please contact SIP at*mail@sip.ca*togetyourmembership assoon aspossible.

School Insurance Program

Staff Members

BruceMacdonald 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 subsribers.

Cindy Norrad CPA CGA CRM
Controller
cindy.norrad@sip.ca
Office 902.480.2177
Cell 902.499.0426

Cindy manages the finances of SIP and is also involved in procurement.

Meagan Spicer
Claims Assistant
meagan.spicer@sip.ca
Office 902.480.2170
Cell 902.430.9781

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

24/7 Emergency 902.448.2840

Rebekah Tingley CRM
Risk Management Assistant
rebekah.tingley@sip.ca
Office 902.480.2172
Cell 902.830.2178

Rebekah assists the Risk Manager and answers enquiries about school trips and activities.

Valencia Forrest
Claims Assistant
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

www.sip.ca

Board of Directors

Janine Saulnier *Chair*
Conseil scolaire acadien provincial

William "Bill" Strubank *Vice Chair*
Nova Scotia Community College

Pat Murphy Annapolis Valley Regional Centre for Education

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Herb Steeves Chignecto-Central Regional Centre for Education

Terri Thompson
Halifax Regional Centre for Education

Tiffany Joudrey
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Chris Grover
Strait Regional Centre for Education

Scott Surette
Tri-County Regional Center for Education

Legal Stuff

Available en francais at sip.ca