

Premium Coverage



Premium Coverage is a seasonal newsletter created and issued by HED Insurance and Risk Services.

The information provided in this newsletter is intended to be general in nature and should not be taken as advice or as a recommendation about insurance.

For specific details regarding insurance protection, refer to the Terms and Conditions of your policy.

If you have any questions please call 1-800-665-8990.

HED Hayhurst
Elias
Dudek Inc.
INSURANCE AND RISK SERVICES

HED Insurance and Risk Services Celebrates 25th Anniversary

July 1, 2007 will mark the 25th year HED Insurance and Risk Services (HED) has successfully provided innovative insurance and risk management solutions for Canadian independent businesses.

“This significant milestone is both a testament to HED’s dedication to providing cost-effective insurance programs to independent business, and to the quality of our people, our products and our services,” noted Art Elias, President and CEO.

Formed in 1982 through the merger of Hayhurst Insurance Brokers, Lynch Elias Dudek and Associates Inc. and Harriott & Associates of Canada, HED has grown to be one of the largest independently owned insurance brokers in Canada, with over 220 employees nationwide. Employee owned and Winnipeg based, HED’s ownership group presently consists of a total of fifteen senior HED employees plus a minority ownership stake held by Western Financial Group.

HED’s success over the past 25 years has come from providing independent business owners, buying groups and business-member associations with non-traditional insurance solutions that often combine the efficiency of a self-insurance

component with the value of risk management and purchasing power otherwise available only to larger companies. We operate three core product segments: i) Commercial Insurance, ii) Employee Benefits, and iii) Petplan Pet Health Insurance, through our federally-registered subsidiary insurer SecuriCan General Insurance Company.

Our expertise and commitment to providing specialized “partially self-insured” programs – both commercial insurance and employee group benefit plans – have paved the way for many of our current successful programs.

“As we celebrate our silver anniversary, we also want to express our sincere appreciation to our clients, staff members, insurers, and service providers for their continuing support as partners in our growth,” said Elias. “We are confident that over the next 25 years, HED will continue to be a leader in providing unique and cost-effective solutions for independent businesses.”

In 2007, this commitment has helped garner HED recognition as one of Manitoba’s Top 10 Employers, ranking 28th of Manitoba’s 50 Fastest Growing Companies, in addition to receiving a

Best in Business Practices award from Manitoba Business Magazine and an Excellence in Leadership award from the Human Resource Management Association of Manitoba.

– Elizabeth Creed, Acting Manager,
Corporate Communications and Marketing



Healthy Spring Gardening

Did you know that gardening is Canada's second most popular physical activity after walking? Gardening is much more than just taking the time to smell the roses and it can be an excellent physical activity to keep you healthy.

Planting new plants and having them grow successfully in planters and gardens is not difficult, nor is it as complicated as some would have you think.



Gardening as a Stress-Buster

Being outside in the fresh air produces psychological benefits. Just looking at trees and plants reduces stress, lowers blood pressure, and helps muscle tension. Even a small garden can relieve stress. You can reduce your risk of early death, heart disease, obesity, high blood pressure, adult-onset diabetes, osteoporosis, stroke, depression, and colon cancer.

Gardening provides a form of emotional expression and release that helps people heal both mentally and physically. Therapists find that gardening stimulates the senses, especially for older adults. The interesting sights, sounds, textures, and scents inspire memories and connections to the past.

Healthy Gardening Tips

If you have ever raked, hoed or weeded a garden bed you already know that gardening is a good workout. However, if you think about it, no one has ever shown us "how" to garden. We have been too concerned about planting a row of beans, growing our prized rose or maintaining the perfect lawn. And as a result, we strain our backs by bending improperly and become sore from repeating the same motion for hours.

Before you get down on your knees to begin gardening this spring, the Canadian Physiotherapy Association suggests stretching gently and warming-up to prevent stiffness, soreness, and injury.

You should also remember the following:

- Quit when you are tired and don't over-exert yourself;
- Drink plenty of water, often;
- Bend from the knees, not the back and;
- Alternate gardening movements and positions often.

By following healthy gardening tips, you will soon realize that gardening is fun and enjoyable; which makes gardening different from other activities like walking, running and exercise machines which can be boring or monotonous for many people.

Gardening With Kids

As a parent or a grandparent, have you considered gardening with your child or grandchild?

Gardening with kids can be a wonderful adventure or it can be pure frustration. It's all up to you to make certain the kids have fun and learn while doing their tasks. Try to pick garden jobs that the kids want to do, and ask to do.

There are few things children enjoy more than digging in the dirt and making mud pies. They are fascinated by looking for worms and bugs and love to water the garden and anything else in the near vicinity. Encourage their enthusiasm by planting seeds that mature quickly and are large enough for a child to easily handle. Vegetables are a good choice for young children. They germinate quickly and can be eaten when mature. By cultivating their curiosity about these things, you can help them to develop a love of nature and gardening.

– Adele Johnson, Manager,
Employee Benefits Administration



Employee Benefits

Spring-Clean Your Indoor Air

The annual spring-cleaning list is all too familiar: the garage, closets, windows, carpets, and the attic. You should also remember to add indoor air to your spring-cleaning list.

The quality of the air inside your home is important to your family's health. The best way to control indoor allergens is to control dust. Following are a few clean-up tips:

- Get rid of dust by vacuuming and dusting regularly;
- Wash bed linens weekly to get rid of dust mites;
- Lower the humidity as mold and mildew thrive in moist environments;
- Add an air cleaner to your heating and air conditioning system and;
- Have your air conditioning system checked and cleaned.

– Adele Johnson, Manager,
Employee Benefits Administration



Assessing Identity Theft Exposure in Business

What is Identity Theft?

Identity theft occurs when someone uses another person's personal identity information without their knowledge or consent to commit a crime, such as fraud or theft.

Criminals may use someone's name, birth certificate, credit card number, Social Insurance Number and other personal information to open credit card and financial accounts, redirect mail, establish cellular phone service, rent vehicles, equipment or accommodation, and even secure employment.

If someone has used another person's identity, that person could be left with bills, charges and damage to their credit rating, unless steps are taken to stop the identity theft and repair the damage.

According to the Canadian Anti-Fraud Call Centre, Phonebusters, in 2006 there were 7,778 Identity Theft complaints in all of Canada, down from 12,409 in 2005.

Exposure of Businesses, Governments and Other Outside Interests

Financial fraud crimes linked to Identity Theft occur in Canada because personal information is collected and retained more than ever before. The risk of theft multiplies every time that information is transmitted, retained or disposed of in an unsafe manner. An increasing number of cases are "inside jobs" conducted by individuals who have access to an organization's sensitive data.

Members of the public are becoming wary of giving out information, and are learning more about their right to privacy every day. Increasingly they are holding organizations responsible for protection of their personal information. Breaches of that responsibility are publicized extensively and have become not only huge legal problems, but also large public relations nightmares.

Exposure of Business

Every business in Canada collects, transmits and retains personal information on their customers,

whether they are a business or an individual. This data could be either personal or financial. Even simple information such as a name, address or telephone number can be used by criminals to commit fraud.

Financial data can include bank information for pre-authorized payment withdrawals, credit card numbers, or debit card information.

Although credit card companies in Canada limit the liability of both individual cardholders and merchants for the fraudulent use of an individual's card, the publicity surrounding a breach is enormous and can be very detrimental to the entity that allowed the breach. A recent example of the scale of the negative publicity that can be generated are the breaches involving credit card information held by Winners and Home Sense. Corporate entities are usually held to a greater degree of accountability than individuals, especially the retail sector. The damage to their image, and the public's trust in the corporation after a breach is usually significant, always negative, and very well publicized.

In addition, should the personal information that businesses collect fall into the hands of criminals due to a negligent lack of security on the part of the business, or a breach of confidentiality by an employee, the business may be held responsible for the costs incurred to rectify the disruption to the individual's credit rating and replacement of personal items such as Social Insurance Number, drivers license, credit and bank cards. These costs can include legal fees, lost wages and other costs, in addition to the amounts incurred by the thief on credit and debit cards.

Minimizing the Exposure

Although insurance is available to compensate individuals and entities that are victims of Identity Theft, or those that are held responsible for an Identity Theft incident, the adoption and implementation of proper risk management processes is the best method to minimize the

Identity Theft Complaints

2006

Province	Victims	\$ Loss
ON	3353	\$7,584,188.86
QC	2040	\$4,674,504.44
BC	1190	\$2,035,365.27
AB	612	\$1,439,474.29
MB	249	\$151,860.16
SK	94	\$61,192.28
NS	106	\$155,039.49
NB	67	\$92,396.07
NF	29	\$30,107.04
Unknown	12	\$3,102.62
PE	11	\$17,059.00
NT	7	\$3,102.62
YK	7	\$2,379.23
NU	1	\$0
Totals	7778	\$16,283,776.91

As of January 1, 2007

exposure to a potential Identity Theft incident. Processes that stress the proper and secure collection, handling, transmission, storage and destruction of personal information in it's various forms is the most important risk management tool. Insurance policies providing various levels of coverage for costs incurred, are available in the insurance market.

Please contact your HED representative for further information on ways to protect your business from Identity Theft exposure.

*– Bert Walker, Assistant Vice President,
Claims & Personal Lines*

Further information on Identity Theft is available from:

Consumer Measures Committee, Office of Consumer Affairs, Government of Canada

<http://cmcweb.ca/epic/site/cmc-cmc.nsf/en/fe00084e.html>

The Department of Public Safety and Emergency Preparedness, Government of Canada

http://www.safecanada.ca/identitytheft_e.asp

Phone Busters – The Canadian Anti-Fraud Call Centre

<http://www.phonebusters.com>

Commercial Insurance



HED Named as a Recipient of an Excellence in Leadership Award

HED, along with 11 other Manitoba based companies, has been recognized with an Excellence in Leadership award, as selected by the Board of Directors and Awards Selection Committee of the Human Resource Management Association of Manitoba (HRMAM).



From the left: Jennifer S. Babiak, Steve Korman, Elizabeth Creed

At the HRMAM awards presentation dinner on March 14, 2007 HED was presented with a bronze award in recognition of recent changes to our company Intranet, which serves as a good example of a human resource program or practice which 'enhances our ability to engage (retain) its employees'.

To quote Lori Fenn, executive director of the HRMAM, "Recruitment and retaining employees is the number one factor...that threatens the profitability of companies today... and that is the case across the country."

HED Recognized For Business Practices



HED Insurance and Risk Services is proud to announce that it has been awarded a Manitoba Business Magazine Best in Business Practices award. The award will be presented to Art Elias, President and CEO, at the 20th Annual Entrepreneur of the Year and Best in Business Practices Awards Banquet held on May 31, 2007.

According to Ritchie Gage, Editor-in-Chief of Manitoba Business Magazine, "These awards are for Manitoba-based companies that have demonstrated success through sound management practices in maintaining and growing a company."

This award follows several achievements for HED including placing 28th on the list of Manitoba's 50 Fastest Growing Companies, receiving an Excellence in Leadership Award, and being recognized as a Top 10 Employer in Manitoba. These awards reflect both employee satisfaction and business success – with one contributing to the other.

As Elias says, "HED has achieved its business successes as a result of developing a recognized culture of communication, empowerment, respect, accountability, and of 'pay for performance'."

Great News for Sobeys Store Owners!

HED is proud to offer Sobeys Franchised and Affiliated Dealers effective insurance coverage through the Sobeys Franchisee Insurance Program. We are committed to excellent service and competitive rates.

To further improve our service, we have introduced a new online tool dedicated to providing store owners with up-to-date information on the wide range of services offered under the Sobeys Franchisee Insurance Program.

Visit www.hedinc.com/sobeys today to get more information on Employee Benefits, Commercial Insurance, Risk Management, and to access forms as well as HED news and bulletins.



To learn more about the Sobeys Franchisee Insurance Program, visit www.hedinc.com/sobeys today!

Privacy Act

HED is focused on respecting your privacy and maintaining confidentiality of information. We have safeguards in place to protect your personal, business, and financial information which adheres to the Ten Privacy Principles as covered by the Personal Information Protection and Electronic Document Act (www.privcom.gc.ca).

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