

## Transparency and your Independent Insurance Broker

Transparency is one of HUNTERS Core Values. To maintain independence, we enter into and nurture relationships transparently and free from conflict.

We believe that HUNTERS adds value and hope our Clients feel the same way.

As your Independent Insurance Broker, we purchase insurance products and services on your behalf that are available, affordable and understandable. Our role is to provide you with the best insurance value that combines coverage, service and price. We also provide personalized quality service that includes professional insurance advice, ongoing policy maintenance and claims support. When any issue arises regarding your insurance coverage, we are your advocate, using our professional experience to best represent your individual interest.

We are compensated for this value as described below.

**Insurer Payments** - Brokerage compensation is part of your insurance premium. For your benefit, we have listed the Insurers that we represent and have included the range of compensation each provides as a percentage of your overall premium that appears on your invoice.

In addition to the Insurance Companies we represent under contract, as indicated above, HUNTERS International Insurance will place risks with Specialty Markets when it is in our Client's best interest. In most cases, these specialty markets provide compensation at a lower rate than the Insurers we represent. Some specialty markets are wholesale brokers and/or managing general agents which are intermediaries through which retail brokers, like HUNTERS, may place coverage. HUNTERS does not own any interest in any Wholesale Insurance Brokers or Managing General Agents.

The individuals at HUNTERS who broker your business are NOT paid compensation which varies directly with the commissions we receive.

**Client Fees** - A fee may be negotiated for placement of insurance coverage or additional services. Fees charged for the placement of insurance will be outlined

in our proposal and approved by our Client in writing before execution. On occasion, we may receive both commissions and client-paid fees for placing insurance, which will be disclosed by HUNTERS and approved in writing by our Clients before execution.

In order for us to maintain strong relationships with quality insurers, we work with each to provide the type of business they desire. The insurers noted as such recognize our efforts through a Contingent Commission contract. Payment of this Contingent Commission depends on a combination of profitability (loss ratio) and/or growth (usually over a number of years) and/or increased services that we provide on behalf of the Insurer. In some instances, the occurrence of a few large losses on our book of business can disqualify us from receiving a contingent profit payment for one or more years. For detailed information on contingent compensation arrangements, please go to the individual insurance company's website.

**Other Sources of Revenue** - We may receive revenue or further benefits from our insurance brokerage activities including fees paid to us for the administration of premium finance contracts, interest paid to us by financial institutions earned on trust accounts in which we hold your premium payments pending remittance to the insurance company, and fees paid to us for policy and/or claims administration services that we provide.

**Related Party Transactions** - No insurance companies have an equity position in HUNTERS. We have a 10 year loan agreement with Intact Insurance Company that does not specify premium volume commitments. HUNTERS does NOT own any interest in any insurance companies. HUNTERS does NOT broker reinsurance for any insurance companies nor are we related to companies that do so.

If you have any additional questions or require other information regarding any of the compensation received by HUNTERS International Insurance for any of its insurance brokerage services, please do not hesitate to contact your account manager or contact our President, Brooke Hunter at 416-323-9300.



**HUNTERS INTERNATIONAL INSURANCE**  
 Contracted Insurers - Range of Commission Payable (% of Premiums)  
 By Major Insurers and Line of Business As of November 2009

Insurer	Personal Property	Personal Automobile	Commercial Property	Commercial Automobile	Commercial Casualty	Fidelity/Surety Excess Lines	Contingency Income (Y/N)
ACE/INA Insurance	-	-	10-25	7.5-12.5	10-25	10-25	N
AIG Commerce & Industry	-	-	7.5-10	-	7.5-10	7.5-10	N
AXA Insurance (Canada)	20	7.5-12.5	20	5-12.5	15-20	10-25	Y
Chartis Insurance	-	-	7.5-10	-	7.5-10	7.5-10	N
Chieftain Insurance <sup>1</sup>	-	12.5	-	-	-	-	Y
Chubb Insurance Company of Canada	20	5-10	20	5-10	5-20	10-25	Y
CNA Canada	-	-	10-20	5-12.5	15-20	10-25	Y
Commonwealth Insurance Company <sup>2</sup>	-	-	10-20	-	10-20	-	N
The Dominion of Canada Insurance Co.	20	7.5-12.5	20	5-12.5	20	10-25	Y
GCAN Insurance Company	-	-	10-20	-	10-20	-	Y
The Guarantee Co. of North America	20-25	12.5	5-20	5-12.5	5-15	10-25	Y
Intact Insurance Company of Canada	20	5-12.5	20	5-12.5	20	10-20	Y
Jevco Insurance Company <sup>3</sup>	-	15	-	-	-	-	N
Kingsway General Insurance Co.	20	5-12.5	20	5-12.5	20	15-20	Y
Liberty Mutual Insurance Company	-	-	10-22.5	-	10-22.5	10-22.5	N
Pafco Insurance Company	20	10-12.5	-	-	-	-	Y
RSA Insurance Company of Canada	20	7.5-12.5	20	5-12.5	20	15-20	Y
Travelers Guarantee Company of Canada	-	-	10-20	5-12.5	10-20	10-25	Y
XL Environmental Insurance Co. Ltd.	-	-	-	-	10	-	N
XL Insurance Company Ltd.	-	-	-	-	12.5	-	N
XL Insurance Global Risk	-	-	-	-	15	-	N
Zurich Insurance Company	-	-	10-20	5-12.5	10-20	10-25	Y

"\_" indicates line of business not written with Insurer

Administration Fees are paid by Premium Finance Companies ranging from .5% - 2.4%

Please refer to our website at [www.hunterscomers.com](http://www.hunterscomers.com) for the most recent version of this schedule

<sup>1</sup> Division of The Dominion of Canada General Insurance Co. of Canada

<sup>2</sup> Subsidiary of related party, Fairfax Financial Holdings Limited

<sup>3</sup> Division of Kingsway General Insurance Company

