

PROPERTY AND CASUALTY COMMISSION DISCLOSURE:

Thank you for placing your insurance with McDonagh Insurance Brokers Ltd. 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 service that includes professional insurance advice, ongoing policy maintenance, changes and claims support. When any issue arises regarding your insurance coverage, we advocate for you and use our professional staff to best represent your interests.

As a brokerage, we are compensated in a variety of ways including commission and contingency amounts paid by insurance companies and, in some cases, fees paid by clients or other third parties. A breakdown of the different compensation methods can be found below.

COMMISSION INCOME:

Compensation from commission is part of your insurance premium and is paid to the brokerage by the insurance company. We have separate commission agreements with each insurance company we represent and the amount we are paid varies by business line. See below for a list of the insurance companies McDonagh Insurance Brokers Ltd. partners with and the range of compensation we receive.

CONTINGENCY INCOME:

For McDonagh Insurance Brokers Ltd to maintain strong relationships with our insurance companies, we work with each of them to provide the type of business they deem desirable. The insurance companies indicated with an asterisk on the list below recognize our efforts through a Contingent Profit Commission contract. Payment may depend on a combination of growth, profitability (loss ratio), volume, retention, and increased services that we provide on their behalf. It is called "contingent commission" because it is not guaranteed income to the brokerage. Given the complex criteria involved there is no way to determine the exact impact that any individual insurance policy could have on contingency commissions and individual employees involved in placing or servicing your insurance are not compensated directly for any contingent income received. For further information on Contingent Profit Commissions, you may go to the various insurance company websites. The insurance companies also post the Code of Consumer Rights and Responsibilities on their websites.

FEES PAID BY CLIENTS:

For complex business insurance programs a fee may be negotiated for the placement of insurance coverage and additional services or products. These fees are presented up front in a proposal and approved in advance of binding coverage. On occasion, we may receive both commissions and client-paid fees for placing insurance, which would be disclosed in writing. For example, we may receive commission payments as part of a client's insurance premium and may receive a client-paid fee for additional services such as third-party administration of employee benefits or risk management.

PROUDLY INDEPENDENT:

McDonagh Insurance Brokers Ltd. does not have any exclusive arrangements or loans which require us to place a specified portion of our business with one insurance company. Our independence allows us to always work in the best interests of our clients.

If you have any questions regarding our brokerage compensation or any other aspect of your insurance program, please do not hesitate to contact us at mcdonagh@mcdonaghinsurance.ca

INSURANCE COMPANIES AND COMPENSATION PERCENTAGES

Commissions are broken down by major lines of business. Commissions are paid annually for both new policies and for renewals. Should there be an increase in the commission schedule we receive from your insurer, or any other material change that affects compensation arrangements, we will notify you.

| Insurance Company | Personal Property | Personal Automobile | Commercial Automobile | Commercial Property/Other |
|---|-------------------|---------------------|-----------------------|---------------------------|
| A.M. Fredericks Underwriting | | | | 12.5% |
| Chubb Insurance Company | 15-20% | | | 10-20% |
| April Canada | | | | 15% |
| Can-sure | | | | 15% |
| Chieftain Insurance | 20% | 10-12.5% | | |
| *Echelon Insurance | | 12.5-12.5% | 10-12.5% | 15-20% |
| *Definity Financial (Economical) | 17.5-20% | 10-12.5% | 10-12.5% | 15-20% |
| GFH Underwriting Agency | | | | 15% |
| *Germania Mutual | 20% | 10-12.5% | 10-12.5% | 20% |
| *Gore Mutual | 20% | 10-12.5% | 7.5-12.5% | 15-20% |
| *Guarantee | 20% | 10-12.5% | 10-12.5% | |
| Haggarty | | 12.5% | | |
| *Howick Mutual | 20% | 10-12.5% | 12.5% | 20% |
| HSC | | | | 7% |
| HUB | Fees | | | |
| *Intact Financial Corporation | 20% | 10-12.5% | 10-12.5% | 15-32% |
| Jevco Insurance | | 8-15% | | |
| K&K Insurance | | | | 15% |
| Markel Corporation | | | | 15-25% |
| Marsh | | | | 5-10% |
| *McKillop | 20% | 10-12.5% | 12.5% | 20% |
| PAL | Fees | | | |
| *Portage | 20% | 10-12.5% | 12.5% | 20% |
| Premier Marine | 15% | | | |
| Risk-Can Underwriting Managers | Fees | | | 10-15% |
| Sentry Insurance | | | | 15-20% |
| South Western Insurance | | | | 12.5-20% |
| Special Risk Managers | | | | 12.5-15% |
| Stone Ridge Specialty Insurance | | | | 10% |
| The Nordic Insurance Co. (Facility Association) | | 10-12.5% | 7.5-11% | 6-10% |
| Totten | | | | 12.5-15% |
| Tu Go | | | | 15-25% |
| Victor Canada | | | | 15% |
| *Trillium Mutual Insurance | 20-22.5% | 10-12.5% | 12.5% | 20% |
| *Travelers Insurance Canada | 20% | 10-15% | 12.5% | 15-30% |