**Clause Description:**

The *Comprehensive Crime (Fidelity)* insurance clause is used in contracts where the contractor’s employees will have the care, custody, or control of valuables such as money, securities, or any other property of value and which belongs to others, an example of which is when the contractor may administer cash or securities on behalf of the owner.

You may seek a “Joint Loss Payable” (JLP) clause be endorsed to the Comprehensive Crime policy. That JLP endorsement on a Comprehensive Crime style of policy allows the Insurance Company to make a loss payable to you based upon the contractual relationship between you and your Contractor and also your insurable interest in the property involved, but such loss payable is based upon the merits of the Named Insured’s claim itself, and it does not provide you with any independent rights or benefits of the Policy

**The Recommended Clause – Comprehensive Crime (Fidelity) Insurance**

The Contractor shall obtain Comprehensive Crime (Fidelity) insurance and shall maintain that coverage for the duration of the Contract as follows:

Inuring Agreement I: Employee Dishonesty (Form A) for an amount of not less than ($500,000) (CAD) covering all of the employees of the Contractor. That insurance must contain a “Client Coverage” or “Third-Party” extension that will provide such coverage to the Owner arising out of the risks of the Contract.

Insuring Agreement II / III: Money & Securities Loss Inside Premises / Outside Premises in an amount of not less than ($500,000) (CAD).

Payment of claims shall be to the Owner as its interest may appear or as it may direct, for loss or damage to the Owner’s property while in the Contractor's care, custody or control.

Where available, the Contractor shall provide the Owner with not less than 30 days’ written notice in advance of cancellation, material change or amendment restricting coverage.

*(The entities (i.e. Owner, Contractor), and the number (i.e. $500,000), in red font are descriptors that you can substitute for the entities and numbers required for your own specific contract.)*