



**To all Reference Committee Members of the CB&MUA**

**MINUTES OF MEETING**

A Reference Committee Members' Meeting of The Canadian Boiler & Machinery Underwriters' Association was held on Thursday December 2, 2021 by Microsoft Teams, to consider the following agenda:

**Attending:**

- AVIVA (Iain Stewart)
- BI&I/HSB (Kathleen Henry)
- Chubb (Julie Grenier)
- CNA (Chris Horgan)
- Northbridge (Mark Rolfe)- Chair
- RSA (Harvey Kenworthy)
- Sovereign (Andrea Powell)

**Regrets:** Allianz, Intact and Travelers,

- 
- ITEM 1. Welcome and Meeting Call to Order:**  
Mark Rolfe (Chairperson) welcomed the attendees. The Reference Committee Members' meeting of the CB&MUA was called to order at 2:03 p.m..
- ITEM 2. Attendance and any Change to the list of Representatives / Alternates:**  
Seven (7) Committee Members were in attendance. Three members declined the meeting.
- ITEM 3. Reading and/or Acknowledgement of the Antitrust Statement:**  
All the attendees (as shown above), were made aware of the CB&MUA Antitrust Statement. The Antitrust Statement wasn't read for the attendees but was however verbally and individually agreed and acknowledged by all the attendees.
- ITEM 4. Approval of this Notice of Meeting / Agenda:**  
A motion was made by Julie Grenier and seconded by Harvey Kenworthy, to approve the Notice of Meeting/Agenda with the corrected minutes attached. All in favour, the motion carried unanimously. (Copy attached).



CBMUA - Reference  
Committee - NoM-Ag

- ITEM 5. Approval of the Minutes of the Reference Committee Members' Meeting held on September 21, 2021:**  
A motion was made by Andrea Powell and seconded by Kathleen Henry,



to approve the Minutes of Meeting held on September 21, 2021 with minor edits. As all were in favour, the motion carried unanimously. (Copy attached).



CBMUA-Reference  
Committee-MofM-Sep

**ITEM 6. Discussion of the “Phase 3” Advisory Wording.**

As discussed in our previous meeting, the Wordings Working Group has commenced the next phase of the advisory wording. Considered most urgent was the creation of a “Solar Storm” exclusion (discussed as item #8 below) which, if approved, can be escalated to the Executive Committee’s meeting next week for immediate use by members. Next, the other items of the advisory wording will be addressed, starting with moving the definitions into a common “Definitions” section.



Phase-1-2-3-manda  
te-Oct-19-2021.docx

**ITEM 7. Final Review and Approval of Cyber Loss Exclusion**

The Wordings Working Group has been working with the counterpart IBC Commercial Property Wordings Working Group to develop a consistent approach to excluding silent cyber. This topic has been discussed in our previous 2 meetings, so only the updates were presented today.

Since our last meeting, IBC slightly amended one definition (mostly editorial by moving words around although 2 terms were deleted). The Wordings Working Group opted to reinstate those 2 terms in our advisory wording as it creates consistency with our advisory phase 3 wording. However, members are cautioned to liaise with their own Commercial Property department to agree on a harmonized definition that is appropriate for the member’s Equipment Breakdown and Commercial Property forms (i.e. make identical if possible, especially if both forms could be present on the same policy – if there must remain any differences then be confident you can explain the reason for those differences if called upon in court).

IBC’s advisory exclusion has now been escalated to a “Claims Scenario Testing” committee (made up of senior claims adjustors from member companies) to test over a dozen scenarios (with respect to the Commercial Property’s exclusion and the Commercial Property form) and report if the exclusionary endorsement does what it is intended to do. Should any unforeseen issues arise, then those will be reported back to this committee.



CBMUA WWG  
Cyber Loss Exclusion

**ITEM 8. Submitting Phase 3 – Electromagnetic Radiation Exclusion Endorsement (i.e. “Solar Storm” + EMP) for Review and Approval:**

The Wordings Working Group updated the previously created exclusionary endorsement (which was based upon the London market’s advisory exclusion), discussed the various technical terms in use, and also broadened the exclusion by adding an EMP exclusion that could be naturally occurring but also human-caused.

Kathleen Henry moved seconded by Iain Stewart to approve the wording and send it to the Executive Committee. Andrea Powell, seconded by Julie Grenier moved that a recommendation be made to the AEIC that Solar Storms and the potential for equipment damage be a topic at the next conference.



CBMUA WWG  
Electromagnetic Radii

**ITEM 9. Additional Business- Update on Phase 2**

The Executive Committee approved Phase 2 wording, therefore Phase 2 is considered closed.

The Engineering Committee will be considering the Blanket group wording at the first meeting in 2022 and Jo-Anne Burns will coordinate the attendance of Mark Rolfe and Robert McGregor at this meeting to frame the request and answer questions.

**ITEM 10. Next Meeting Date: TBA (depending upon work to submit)**

**ITEM 11. Closing Remarks and Motion to Adjourn**

Mark Rolfe, the Chairperson, thanked everyone for their participation. Season’s Greetings were extended to all. Harvey Kenworthy motioned, seconded Mark Rolfe for the adjournment of the meeting. As all were in favour, the meeting adjourned at: 2:55 pm.

**Respectfully submitted,**

**Mark Rolfe,  
Chairperson of the Reference Committee  
Canadian Boiler & Machinery Underwriters' Association**

**Jo-Anne Burns  
Secretary to the Canadian Boiler and Machinery Underwriters' Association**