



## Fidelity

### Treasurer of Hamilton CUPE charged with fraud



Source: CBC News: cbc.ca  
July 11th 2018.

The treasurer of CUPE local 786, who represents employees of St. Joseph's Healthcare in Hamilton, has been charged by the police for stealing approximately \$1,000,000. Elizabeth Marck, 57, has been charged with one count of fraud over \$5,000 and one count of theft over \$5,000. The thefts allegedly took place between January 2010 and March 2017, with the stolen funds being used for "personal benefit", according to the investigations of the major fraud unit. When asked about the case, CUPE administrator Gus Oliveira replied "Ms. Marck continues to be a member of the local. As we still are obligated in law to represent her, we can't really comment at this time." Marck is scheduled to appear in court on August 7th, 2018.

**?** **DID YOU KNOW:** Fidelity Insurance provides companies with protection against losses that may occur as a result of fraudulent acts perpetrated by individuals. Traditionally, Fidelity Insurance (also referred to as Crime Insurance) insures businesses for loss caused by the dishonest acts of its employees. More recently we have added coverage for computer systems fraud, as well as acts perpetrated by outside parties.

## P&C

### Ontario Court of Appeal case determines future rulings on duty to defend additional insureds



Source: Claimscanada.ca, Talaal Bond, partner, Matthews Abogoado LLP  
May 5th, 2018.

During a snowstorm in Durham Region on February 8th, 2013, Antonio Carneiro Jr. died after losing control of his vehicle due to dangerous conditions along the roadway. The family of Carneiro Jr. sued the regional municipality of Durham and the roadway winter maintenance contractor, Miller Maintenance. Miller's CGL insurance policy, issued by Zurich, required Durham region to be named as additional insured. Zurich argued that allegations against Durham were subsumed in defence of Miller, therefore defending Miller was akin to defending Durham. Durham appealed after the motions judge agreed with Zurich. A decision from a 2008 case, *Hanis v. Teevan*, set the precedent for the Court of Appeal's decision, subsequently defining the spectrum of claim types relating to indemnification of defence costs: covered, uncovered-related and uncovered-unrelated claims. For Carneiro Jr., Zurich indemnified Durham for defence costs because the allegation that the deceased lost control because of ice and snow was true. Therefore, any covered or uncovered claims related to the truth of the allegation meant Zurich's argument, that defending Millar was the same as defending Durham, held no authority.

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### 50-year prison sentence for fajita-stealing public servant



Source: National Post, nationalpost.com,  
Richard Warrnica - April 23rd, 2018.

"It started small and got bigger and out of control", said Gilberto Escamilla, a former employee of the Cameron County Juvenile Justice Department, during a court confession recounted by the *Brownsville Herald*. "It got to the point where I couldn't control it anymore." Escamilla was handed a 50-year prison sentence for stealing \$1,200,000 worth of fajitas, the equivalent of 293,000 pounds of beef, which he admitted to reselling over the course of 8 years. The scheme all fell apart when Escamilla didn't show up for work one day, while a 800 pound fajita shipment did. Cameron County Juvenile doesn't serve fajitas.