

## Canadian 4-H Commercial General Liability / Excess Liability Fact Sheet



### COVERAGES AND LIMITS

Bodily Injury and Property Damage	\$5,000,000.00 Commercial General Liability – Each Occurrence \$1,000,000.00 Watercraft Liability – Each Occurrence & Aggregate Limit Occurrence Form
Non-Owned Automobiles	\$5,000,000.00 Each Occurrence Occurrence Form
Limited Abuse Coverage	\$500,000.00 Each Claim / \$1,000,000 Aggregate limit. Claims Made Form – Retroactive Date January 1, 1998

Excess Liability – Follow Form	\$5,000,000.00 Excess Liability – Each Occurrence & Aggregate Excess of: \$5,000,000.00 Commercial General Liability \$1,000,000.00 Watercraft Liability Occurrence Form
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### Deductible / Self Insured Retention (SIR)

Bodily Injury and Property Damage	\$2,500.00 Deductible
Limited Abuse Form	\$2,500.00 Deductible
Excess Liability	\$10,000.00 Self Insured Retention

***What to do in the event of a Claim? Your first step would be to contact the provincial or national office for information on claims reporting procedures. In case of an 'after hours' emergency please contact BFL CANADA Risk and Insurance Services Inc., at 1-888-244-6709 or 613-722-7798 to report the incident immediately.***



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**Definitions:****Commercial General Liability / Excess Liability:**

This policy offers protection against liability imposed by law for bodily injury or property damage to a third party. It does not cover your injuries or damage to your property. The idea is to protect you for claims made by others.

**Watercraft Liability:**

This endorsement extends the policy coverage to include the use of owned or borrowed watercraft less than 8 meters in length that are not being used to carry persons or property for a charge. Coverage under this endorsement is subject to the following:

- All persons are required to wear life jackets while in the watercraft;
- All watercraft must contain a bailer, buoyant throw/tow line and a signaling device;
- Whitewater and ocean activities are excluded.

**Insured:**

The "entity" itself, a 4-H volunteer, employee or member and their families while acting on behalf of 4-H. A volunteer can be defined as someone who gives freely to work and who is not remunerated for said work.

**Occurrence Policy:**

Coverage trigger is the date when the bodily injury or property damage took place. The policy in force at that time applies.

**Claims Made Policy:**

Coverage trigger is the date when the claim (as a result of Bodily Injury or property damage whenever it occurred) is made. The policy in place at that time applies.

**Retroactive Dates:**

When the policy is claims made, the policy will respond to claims that are brought forward during the policy period if the incident occurred after the retroactive dates.



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## INSURANCE QUESTIONS AND ANSWERS

- Q. Do we have to use a waiver form?  
A. Waiver forms act as a deterrent for a suit but they do not alleviate 4-H from liability.
- Q. Should we as a club get insurance for our members and leaders, as only third parties are covered by the third party liability insurance?  
A. The Commercial General Liability Policy provides coverage for an insured if they are brought in a suit involving property damage and bodily injury to a third party however, there is a clause on the policy "Cross Liability" which allows one insured to sue another insured. For example, if a member is injured and the parents sue 4-H, then 4-H would have coverage to defend the suit subject to all the policy terms, conditions and exclusions. It is highly recommended that each provincial council purchase an "Accident" insurance policy. An "Accident" insurance policy responds immediately and is not triggered by a law suit.
- Q. What happens if one of our members or leaders gets injured or killed? How are we covered? What good is third party liability insurance then?  
A. The Commercial General Liability Insurance Policy provides coverage for an insured if they are brought into a suit involving property damage and bodily injury to a third party however, there is a clause on the policy "Cross Liability" which allows one insured to sue another insured. For example, if a member is injured and the parents sue 4-H, then 4-H would have coverage to defend the suit subject to all the policy terms, conditions and exclusions.
- Q. When are 4-H members covered?  
A. Coverage is triggered once a member is involved in a suit.
- Q. Do any 4-H events need to have a Memorandum of Insurance?  
A. If you are asked to provide proof of insurance, you may issue a memorandum of insurance. The memorandum should not be volunteered and only given upon request. Your provincial organization can prepare it for you.
- Q. What about when a 4-H member brings a friend to an event or a meeting, is the friend covered?  
A. If the friend is a volunteer at a sponsored 4-H event, then the Commercial General Liability policy can offer protection. A volunteer can be defined as someone who gives freely to work and who is not remunerated for said work.
- Q. Is there a suggested amount of liability insurance I should have on my vehicle? i.e. \$2,000,000 or \$3,000,000 etc.  
A. The legal amount of liability insurance required varies from province/territory to province/territory. You should carry a minimum of \$2,000,000 coverage under your personal automobile policy, however higher limits of liability can be discussed with your broker/agent.
- Q. If there is an accident at home or school under a member's care and supervision what is the coverage?  
A. The liability coverage is not location specific.
- Q. Does our insurance policy cover travel outside of Canada? We are looking at options for going on a backpack trip down the road which may take us outside Canada – to the United States. Anything we should know?  
A. Yes, the insurance does cover travel outside of Canada – to the United States. All activities that the club undertakes need to be recorded somewhere – in the minutes, on a program plan, letter to parents, members etc. So if you plan a backpack trip outside of Canada, it needs to be recorded somewhere, just as any other activity does. The insurance does not cover health so all participants should carry their own health insurance for travel outside of Canada, just as they would for a non 4-H trip.



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## INSURANCE QUESTIONS AND ANSWERS

- Q. I had a call from a 4-H leader who would like to offer the roughstock rodeo project, and would like to train members 16 and older for Bull Riding. He will put together a training plan, but wanted to check that the 4-H insurance would cover any injury/liability claim.
- A. As long as the project is sanctioned, the coverage would apply however, at present the Insurer has not considered any activities with the injury potential of a Bull Riding project. Before any such clubs or projects are undertaken please contact your provincial office with details to forward to the insurer. Though no exclusions exist in the insurance policy it would be prudent to provide the insurer with advance knowledge of these activities before an accident or injury occurs.
- Q. When the club goes on a trail ride, are the parents covered when they are riding their own horses?
- A. 4-H member's parents who participate in an event are not covered unless they work as registered volunteers. Spectators who participate in any event are not covered.
- Q. This question is in relation to property damage – If a 4-H Club uses a 4-H friend's facility what coverage, if any, is available if the project animal (horse, canine, beef, etc) damages the facility in any way. Likewise if a member or leader damages the property through an accidental cause (not malicious)?
- A. Coverage's in both instances would apply up to the limit of the policy subject to the property damage deductible.
- Q. The question of helmets with equine projects continues to come up. How does this effect coverage?
- A. Currently helmets are not required, but strongly recommended.
- Q. Is there any insurance issues with respect to accidents and injuries/liability associated if we do not have mandatory helmet usage? Again, would there be any insurance issues with respect to an accident and injuries/liability associated if we do not have mandatory compliance with the equine project rules?
- A. With respect to the Commercial General Liability, it is recommended that helmets be worn however, if a helmet is not worn, it does not affect coverage. With respect to the equine program, the same applies.
- Q. Is there coverage for accidents involving ATV's or Snowmobiles? What about Watercrafts?
- A. There is no coverage under the Commercial General Liability policy accidents involving ATV's or Snowmobiles under this policy, the liability for these motorized vehicles would fall under the automobile policy owned by the owner of the vehicles in the same way that an accident involving a car or truck would apply. Generally, accidents involving a watercraft would apply in the same way, however there has been an amendment to this policy which allows for owned (or borrowed) watercraft that are less then 8meters in length. Please review the definition of Watercraft Liability on page 2 of this fact sheet for details.



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