

## 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	\$1,000,000.00 Each Claim / \$1,000,000 Aggregate limit. Claims Made Form – Retroactive Date January 1, 1998

Excess Liability – Follow Form	\$20,000,000.00 Excess Liability – Each Occurrence & Aggregate Excess of: \$5,000,000.00 Commercial General Liability \$1,000,000.00 Watercraft Liability Occurrence Form
--------------------------------	---

### 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.***

**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.



## 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? What if a member or leader is seriously injured?  
A. The Commercial General Liability Policy provides coverage for an insured (4-H Entity, Leaders, Members, etc) if they are named in a suit involving property damage and bodily injury to a third party however. This policy protects 4-H, and the individual members and leaders from a third party lawsuit alleging bodily injury and property damage. Note, there is a clause on the policy known as “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 a “Participant Accident” insurance policy. A “Participant Accident” insurance policy responds immediately and is not triggered by a law suit.
- 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 Certificate of Insurance?  
A. Yes, the majority of venue owners, event planners and promoters, and municipalities require proof of insurance if you are using their property or attending their event. The certificate should not be volunteered, however your insurance broker is happy to provide them upon request. Requests for certificates of insurance should be sent through your provincial council. Please have the name and mailing address of the requesting organization available when you contact the province, as well as the date and details of the event/activity.
- Q. What about when a 4-H member brings a friend to an event or a meeting, is the friend covered?  
A. Members bringing friends to events or meetings should always be preapproved by the club leader and wherever possible the leader should restrict their approval to select recruitment activities or friends and family oriented events. A record of all member friends invited to take part in 4-H activities should be kept, e.g. in the meeting minutes. If 4-H agrees to allow the members friend to take part in the activities, the friend will be afforded the same insurance protection as the full member.
- 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, but it is restricted to 4-H sanctioned activities.
- 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. The insurance does not cover non-accidental health issues and limits may not be sufficient for accidental medical costs in the US so all participants should carry their own health insurance for travel outside of Canada, just as they would for a non 4-H trip.
- 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.



## INSURANCE QUESTIONS AND ANSWERS

- 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 by the insurance company, but strongly recommended. 4-H’s own risk management rules however may require the use of helmets at all time.
- 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 purchased 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.
- 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. We recommend 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. As a volunteer I sometimes have 4-H members in my car. If there was an accident, does this fall under the 4-H Insurance or my personal automobile? Should I notify my personal auto insurance provider? Is there any cost associated with this?
- A. Accidents stemming from use of motor vehicles are insured under the vehicle owners personal insurance, not the 4-H insurance policy. Government rules with respect to automobile insurance are very strict in this regard. Volunteers using their personal vehicles in this manner should be cautioned that they remain responsible for all accidents they cause with their vehicle, regardless of who their passengers are. We recommend that any volunteers that expects to carry 4-H members in their vehicle, either routinely or infrequently, should provide their insurance broker with advanced notice, as a courtesy. A volunteer that is putting limited kilometers on their vehicle without being paid for their services should not experience additional cost in their personal insurance. Automobile insurance is highly regulated in all provinces with most provincial governments approving all rates and classifications that insurance companies can use. As there is no change to the driver classification and no policy endorsements necessary, there should be no premium charged. We stress the word “should” however, as some insurers and/or insurance brokers may view the exposure differently, and certainly the level of vehicle use can vary from volunteer to volunteer. In select cases it is possible that additional premium may be warranted. If the broker advises a premium increase is necessary, we suggest you request details of what will be changing within your insurance policy to necessitate a premium increase and why the change is necessary.
- Q. What happens if I am asked to transport livestock for other members? Who is responsible?
- A. There is no coverage for any livestock under any 4-H policies. The responsibility for any animals always rests with the animal owner and it is important they understand and acknowledge that even though they allow a 4-H volunteer to transport their animal on their behalf, they remain responsible for the livestock.

