

Insurance Program

NFPOS insurance of municipalities participating in the program sponsored by the Union des Municipalités du Québec.

February 2024



It is important for not-for-profit organizations (NFPO) to ensure their physical assets as well as to protect themselves from the potential consequences of the acts or omissions of their representatives through the purchase of various insurance policies. In addition, NFPO Directors and Officers, management, personnel and volunteers also require protection from personal repercussions they may experience as a result of their functions within the organization.

BASIC INSURANCE (POLICIES 1 TO 4)



1. Property Insurance

The program provides a comprehensive protection (all risks type) including most physical assets which are owned or leased by the organization or for which it is responsible. The risks covered include fire, theft, vandalism, water damage, etc.

A limit of \$5,000 is included and covers the property located at the insured premises and also outside the premises.

Terms and coverages included in the program :

- Replacement cost,
- Co-insurance clause 90% of the replacement cost,
- \$100,000 for debris removal cost,
- \$50,000 for property loaned or rented by you to a third party,
- Property temporarily off premises for the amount reported for contents subject to a maximum of \$100,000,
- \$5,000 for newly acquired property (maximum of 30 days),
- \$25,000 maximum per claim for leaders and staff content,
- Additional or increased costs resulting from the enforcement of the minimum requirements of any by- law,
- If declared: rental income loss and business interruption,
- Vacant building (declared) for more than 30 days. (Certain conditions apply and you must declare any vacant building and the period of time it will be vacant for.),
- \$5,000 for goods shipped by parcel post,
- \$150,000 for extra expense,
- \$25,000 for professional fees,
- Coverage for earthquake (deductible \$100,000). Flood (deductible \$25,000) and sewer backup (deductible \$2,500) except for location subject to the sewer backup and flood exclusion.

Policy conditions and exclusions apply, as well as a \$1,000 minimum deductible per claim.



2. General Liability Insurance

This type of coverage is essential for an NFPO. Its intent is to protect the Insured against financial losses arising from acts or omissions causing bodily injury or property damage to a third party and for which the Insured could be held liable.

Should the Insured receive notice of bodily injury or property damage suffered by a third party during the policy period, the claim should be transmitted to the Insurer immediately. If the claim is admissible, the Insurer will assume defense costs as well as the amount imposed by judgment of a court or the amount agreed between parties up to the limits outlined in the policy. This insurance does not cover punitive or exemplary damages and is subject to conditions and exclusions

A limit of \$5,000,000 per claim is offered with a deductible of \$1,000 for property damage and bodily injury. Specific restrictions apply to the organization of high risk events and activities. (See Restrictions section on page 7).

- \$1,000,000 for Personal injury/Advertiser's Liability
- Aggregate limit of \$5,000,000 for the policy period for products/completed operations,
- \$2,000,000 Tenants legal liability - by situation
- \$3,000,000 Non-owned Auto liability: QOF #6
- \$50,000 Damage to leased or borrowed vehicles (short term only - 30 days or less): QEF #94



3. Directors and Officers Liability Insurance

Directors and Officers of NFPOs can be held jointly and severally responsible for acts or omissions arising from the performance of their duties. Consequently, they can be personally sued for failure to properly oversee or manage the activities of the organization. Furthermore, they can be held jointly responsible for acts of other Directors and Officers simply because they sit on the same Board.

This insurance protects Directors, Officers and all personnel and volunteers of the organization for compensatory damages they may have to pay to third parties arising from acts and omissions occurring within the scope of their duties, up to the limits outlined in the policy.

Even when unfounded, a lawsuit against a Director, an Officer, an employee or a volunteer can involve important defense costs. Directors and Officers Liability Insurance covers both defense costs and amounts agreed between parties or imposed by the judgment of a court, as long as the claim has been reported to the Insurer and is deemed admissible.

A limit of \$5,000,000 per claim, per year and per NFPO is offered, and for each insured within the program. A deductible of \$1,000 per claim applies. Conditions and exclusions applies.



4. Accident Insurance Limited to Unpaid Directors and Volunteers

This insurance is designed to protect unpaid Directors and volunteers acting within the scope of their duties related to an NFPO without regard to the organization's negligence, as long as they are **less than 90 years of age during their activities and the NFPO has bound coverage with the UMQ insurance program. This insurance excludes all participants and individuals who receive remuneration from the NFPO. Policy conditions and exclusions apply.**

Limits of \$50,000 per person and \$5,000,000 per accident apply. There is no deductible.

Additional coverages are also included under this section:

- \$20,000 coverage for medical expenses following an accident,
- \$2,000 coverage for dental care following an accident,
- \$4,500 coverage per person for fractures resulting of an accident,
- Weekly benefits for invalidity following an accident,
- Indemnity for aesthetic damage

Conditions and exclusions apply on this coverage.

PROBLEM WITH AN EMPLOYEE OR A COLLEAGUE?

You are a Director or an Officer and are having difficulties with an employee, volunteer or another Director or Officer?

Here are some tips :

- ✓ Document the file with facts: indicate the problem on a timeline with specific dates and supporting documents.
- ✓ Try dialogue: meet with the person and explore two versions of the facts.
- ✓ Act quickly: without, however, sacrificing the quality of the intervention.
- ✓ Respect the deadlines and minimum practices imposed by the Labor Standards Law.
- ✓ Get help when the situation is beyond the scope of your expertise.

Resources:

Information services of the Commission des normes, de l'équité, de la santé et de la sécurité du travail:

By phone:

1-844-838-0808

Online: cnesst.gouv.qc.ca/en/client-services/contact-us



OPTIONAL INSURANCE (Policies 5 and 6)



5. Crime Insurance (Dishonesty, Disappearance and Destruction)

The Dishonesty, Disappearance and Destruction policy offers broad coverage against crime. It covers most types of theft: embezzlement of assets by employees and volunteers; destruction, disappearance or fraudulent removal on Insured premises, Bank premises and while in transit; robbery on Insured premises or outside Insured premises; breaking-and-entering, and forgery.

The Property policy offered through the program covers theft but excludes currency, securities, and misappropriation by employees and volunteers. The purchase of a Crime policy would complement the Property policy if your NFPO is faced with these types of risks. **Policy conditions and exclusions apply.**

The following table presents the coverage options available under the program:

Limit	Deductible	Annual Minimum Premium (for NFPOs joining before June)	Semi-Annual Minimum Premium (for NFPOs joining as of June)
\$2,500	\$500	\$50	\$25
\$5,000	\$500	\$100	\$50
\$25,000	\$1,000	\$500	\$250
\$50,000	\$5,000	\$1,000	\$500
\$100,000	\$10,000	\$2,000	\$1,000

- The Insurer requires an annual minimum premium for NFPOs joining between November 30 and May 31 and a semi-annual minimum premium for NFPOs joining between June 1 and November 29.
- Premiums are identical for all NFPOs, whether associated with a UMQ member or not.



6. All Systems GO PLUS

Section I - Equipment Breakdown Coverage

This policy covers specialized equipment which is usually excluded under the Property policy. It aims to protect against financial loss—damage to physical property, business interruption, loss of perishables—arising from an “accident” involving pressurized, mechanical or electrical equipment (“objects” under the policy).

Covered “objects” would include, amongst others, steam or hot water boilers, fired or unfired pressure vessels, refrigeration and air conditioning systems, electrical and mechanical equipment, transformers and motors, compressors, pumps and computers and other electronic equipment. If your NFPO is exposed to risks of this type, you may want to consider obtaining this optional coverage.

Section II - Data Compromise Coverage

The damage to a company’s sales and reputation depends on the actions it takes in response to a data breach. BI&I Data Compromise coverage is designed to help small to mid-sized businesses investigate a data breach, notify affected individuals, and provide fraud alerts, case management and other services that help prevent identity theft and fraud following a breach of personal identifying information.

Section III - Identity Recovery

Identity Recovery coverage not only pays for costs related to restoring identity integrity to pre-theft status, but includes top professional services to help individuals navigate the restoration process faster with less trouble.

Policy conditions and exclusions apply.



7. Others

It should be noted that **BFL CANADA** can offer specialized insurance to meet particular needs when requested by NFPOs, including:

- Professional Services Liability Insurance,
- Environmental Liability Insurance,
- Legal Fees Insurance,
- Automobile Insurance.

RESTRICTIONS



A- Special Events

The Insured is required to give advance notice to BFL CANADA Risk and Insurance Inc. of any high risk event or activity which includes one or more of the following items and has not been declared as part of the Application form completed by the organization, such as:

- Crowd of 10,000 people or more,
- Fireworks,
- Sleigh rides,
- Hunting and shooting games,
- Karts,
- All activities/sports defined as “extreme”*,
- Skateboarding/BMX, bicycle in all its forms,
- Tower or climbing wall,
- Use of fire,
- Inflatable games,
- Horses, ponies and others,
- Activities with animals,
- Activities outside of Canada,
- Marinas, boats and other watercraft,
- Canoe or kayak,
- All activities relating to motorized sports, races or endurance events,
- Skiing or sliding sports,
- Activities involving firearms,
- Watercourse dam management,
- Paid professional services, such as consulting services.

IMPORTANT NOTES:

The Insurer requires that fireworks, inflatable games, activities with horses and ponies and other such activities be carried out by professional pyrotechnics and/or specialized contractors who must provide, prior to the event, a certificate of insurance for a minimum amount of \$2,000,000. (Please contact BFL CANADA for the complete list of high-risk activities.)

Skateboard and/or BMX activities must be organized by specialized contractors. You must obtain a certificate of Liability insurance for a minimum amount of \$2,000,000 from the contractor prior to the event and provide it to BFL CANADA. If the activity takes place at facilities owned by the municipality, a liability insurance program for skateboard and BMX parks must be purchased. (See UMQ website; section “Services Corporatifs”, “Assurances de dommages”.)

All hazardous or risky activities must be declared to BFL CANADA for underwriting purposes and may be subject to additional premiums. The Insurer also reserves the right to deny any coverage for these activities.

**Extreme sports or adventure sports are recreational activities perceived as involving a high degree of risk. These activities often involve speed, height, a high level of physical exertion, and highly specialized gear.*

OUR DEDICATED TEAM

Our experienced team is passionate about municipalities and we pride ourselves as being an extension of your risk management process.

Having developed an expertise in the municipalities sector, we can take some of the pressure off. We are able to properly assess and reduce your exposure to risks that could have a significant impact on your business and result in financial losses.

MEET OUR TEAM:



Doris Martel
Damage insurance broker
Senior Client Service Manager
E. dmartel@bflcanada.ca



Pierre-Luc Dubé
Damage insurance broker
Client Service Representative
E. plucdube@bflcanada.ca



Xavier Pomerleau
Damage insurance broker
Client Service Representative
E. xpomerleau@bflcanada.ca



Frédéric Savard-Scott, LL.B.
Commercial-lines
damage insurance broker
Vice-President, Unit Leader – Public Sector
E. fsavardscott@bflcanada.ca

TO REPORT A CLAIM:

Claims Department

claimsosbl@bflcanada.ca
T. 1-800-465-2842

FOR MORE INFORMATION:

BFL CANADA Risk and Insurance Services Inc.
2001 McGill College Avenue, Suite 2200
Montreal (Quebec) H3A 1G1
T. 514-843-3632 F. 514-843-3842 Toll Free: 1-800-465-2842

bflcanada.ca/municipalities |    

