

# Facility User Liability Insurance FAQ

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## **What is the insurance coverage that is provided under the Facility User Liability Insurance Program?**

- For coverage requirements please see the [Facility Permit Insurance Requirements document](#).

## **What Insurance Limits am I insured for under the Facility User Liability Insurance Program?**

- Limits vary depending on the activity. Most events are covered for \$2,000,000; however, sporting activities and those events that are deemed to be of a higher risk are covered with a \$5,000,000 limit. For coverage requirements please see the [Facility Permit Insurance Requirements](#).

## **Does the coverage under this program automatically provide for lost wages or out-of-pocket medical expenses (Accident Protection) if someone is injured at my event?**

- **NO**, this is not an Accident policy. A letter of intent or a legal action must be brought by third parties for coverage to be triggered

## **Does my homeowner's insurance policy protect me?**

- Possibly. Ask your insurance representative who holds this insurance policy for you as coverage does vary between insurers
- If it does cover you, then your homeowner's insurance company must issue the mandatory insurance certificate form, see "What if I have the Required Insurance/Insurance Certificate", naming the facility owner and/or municipality as an Additional Insured. Ensure you fully discuss the pros and cons of this with your insurance representative

## **I belong to an Association; do I already have liability insurance coverage?**

- Possibly. Ask your insurance representative who holds the Association's insurance policy as coverage does vary between insurers
- If you are covered they should be able to complete the "Required Certificate of Insurance Coverage Form" showing the facility owner or municipality as an "Additional Insured". However, if not, the Town's Facility User Liability Insurance Program is a viable option to most renters

## **My Association already has liability insurance coverage, but their certificate of insurance has not been accepted. What do I do?**

If the insurance of your Association is not accepted it most likely would be because:

- The broker has not submitted proof of your Associations coverage on the required form
- Your Association does not have the required limits of coverage, or
- Your Association does not have the appropriate protection for the activity or event you are running

*Contact FCA Insurance for a further explanation of why your coverage may not be suitable to the Town. If your Association's certificate cannot be amended then you may purchase coverage under the Facility User Liability Insurance Program.*

### **If I sell alcohol and someone is injured or causes any injury, am I covered?**

- Yes. If you have purchased the appropriate liability coverage for an alcohol related event, you are protected up to the policy limit

### **Does the policy cover spectators who suffer an injury or have their property damaged during my event?**

- Yes, the policy will provide a legal defense, as well as the settlement or court award if you are found to be fully or partially negligent for the spectators' injury or property damage

### **Does the Facility User Liability Insurance Program cover our own or leased property?**

- **NO**, this policy provides liability coverage if you are negligent in damaging third parties' property. Your own or leased equipment or contents is not covered

### **Does the Facility User Liability Insurance Program insure automobiles?**

Coverage is restricted only to "Non-owned Automobile":

- "Short Term Rentals (under 30 days)" for licensed rented automobiles used in connection with your event. The rental agreement must be in the name of the same facility renter. Physical damage to the vehicle itself is limited to \$50,000
- Volunteers or employees use of their own licensed vehicles in connection to the event, should their own insurance company look for recovery or they are sued for more than their own liability limits

### **Can I purchase higher liability insurance limits through the Facility User Liability Insurance Program?**

- **NO**, the limits of coverage provided through this program cannot be increased beyond the options shown online
- Contact your insurance advisor or alternatively contact [FCA Insurance Brokers](#) for a separate quotation

### **Can I purchase additional coverage under the Program for Accident coverage if anyone is injured during my event, without any allegations of negligence?**

- **NO**, additional Accident (AD&D) coverage is not offered under this program

### **Can I purchase additional coverage under the Program for our own or leased property used for our event?**

- **NO**, additional property coverage is not offered under this program. Contact your insurance advisor or alternatively contact [FCA Insurance Brokers](#) for a separate quotation

### **What if there is a claim or incident that could lead to a claim?**

Report the incident, within twenty-four (24) hours or sooner to FCA Insurance Brokers.

The 8-step claim process should be followed when an incident during your event could lead to an insurance claim;

1. Never admit liability or responsibility as this could prejudice your insurance company's ability to provide a viable defense.
2. Report the incident, within twenty-four (24) hours or sooner, to FCA Insurance Brokers.
3. Complete the reporting form contained in your [Online Insurance Portal Account](#).
4. Collect any witness statements; include their name, address, and phone number in order for the insurance company to investigate the claim further.

5. Cooperate fully with the insurance company by providing them any information or answering any questions they may have.
6. If you are served with a “statement of claim” or notice of intent to file a statement of claim, forward this **immediately** to FCA Insurance Brokers
7. Assist the insurance company as requesting in providing sworn statements that will be used in the defense of the action and assist them in your defense.
8. Provide any additional information to the insurance company you may have that will help in the defense of the claim against you.

**What happens if a participant or a spectator does not threaten to sue, but presents bills for medical expenses or damaged property caused at our event or activity?**

- This constitutes an incident that could lead to a claim.

*Follow the 8-step process as soon as possible and provide as much information as you can to the insurance company, who will investigate and handle further action*

**What if happens if a claim is not reported immediately or the 8 step process is not followed?**

- It is your responsibly to make the Insurance Company aware of a loss or the possibility of a loss and assist in the defense
- If a claim is reported late the Insurance Company will investigate the cause and if the delay prejudices their position to defend an action, they may reserve their rights to decline the claim.
- Always best to report any incident.

**What if I was unaware of an incident and sometime afterwards became aware or was served with a legal action well after the event?**

- This can happen since third parties have up to 2 years to file a claim for negligence causing bodily injury or damage to their property.
- Follow the 8-step process as soon as possible and provide as much information as you can to the insurance company.

**What if the cost of my defense and the legal award found by the courts is greater than the liability limit I had through the Facility User Liability Insurance Program?**

- Any amount over the liability limit purchased remains your responsibility. The coverage offered under the Facility User Liability Insurance Program is for \$2,000,000 or \$5,000,000 depending on the type of activity or event
- You may arrange separate, additional coverage Contact your insurance advisor or alternatively contact FCA Insurance Brokers.
- As you have the most intimate knowledge of the risks associated with your event or activity, you must decide what amount of coverage best protects you

**Does this policy extend to other events or locations, besides the subject permit rental?**

- **NO**, this policy is designed to protect you for specific permitted events **only**
- Contact your insurance advisor or alternatively contact FCA Insurance Brokers for a separate quotation

**The majority of the event is in one municipality's permit rental space and other parts of the event are in the municipality, but not specific to the rental space. Can the whole event be covered under the Facility User Liability Insurance Program?**

- In some exceptional cases special arrangements can be made to cover non-permitted locations if they are a minor part of the permit rental event
- However, this requires special arrangements and the involvement of the municipality and the broker to obtain the Insurer's permission and organize a special rider specific to the event
- There is no guarantee that the arrangements will be accepted, and the process seeking underwriting approval can take some time

*Contact FCA Insurance Brokers to discuss and obtain a separate quotation*

**What is my deductible under the Facility User Liability Insurance Program?**

- The deductible for Bodily Injury, Property Damage and Defense costs is \$1,500

**Why is liability insurance required?**

- To protect you and other participants from financial responsibility, if someone is accidentally injured, or property is damaged, during the course of your rental
- To provide you with a legal defense if there are allegations of injury or damage during your rental.
- To give you peace of mind during your activity

**Whom do I contact for more information or questions? Contact the insurance broker:**

**FCA Insurance Brokers**

**416 486 1421 x 243**

**1 800 267 0281**

**facilities@fcainsurance.com**