

2006

Insurance Summary



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NATIONAL INSURANCE PROGRAM

THE NAVY LEAGUE OF CANADA

The Navy League administers a number of insurance policies providing insurance coverage on a national basis for the protection of the organization and for the benefit of Cadets, Branches and Sponsoring Committees, Provincial Divisions and National Office.

The schedule of mandatory policies is as follows:

1. Commercial General Liability Insurance and Umbrella Liability Insurance
2. Accidental Death & Dismemberment Insurance
3. Directors' & Officers' Liability Insurance.

Additional insurance coverage is available to individual Branches to cover specific exposures, such as Property and Boiler and Machinery Insurance for buildings and contents and Boat Insurance for vessels owned or operated on behalf of the Navy League. These coverages can be obtained through the League's Insurance Administrator working with our insurance broker, B.F. Lorenzetti & Associates Inc. in Ottawa. Application forms and more detailed information can be obtained from the National Office.

Please note, that insurance for Buildings and Contents, as well as Boat Insurance is not provided automatically. All Branches requiring these types of insurance coverages, must apply through the League's Insurance Administrator at the National Office.

COMMERCIAL GENERAL LIABILITY INSURANCE & UMBRELLA LIABILITY

These policies provide legal liability insurance to the Navy League of Canada for the activities of the organization across the country. The Named Insured on the policies includes the Navy League of Canada, the Provincial Divisions, local Branches or Sponsoring Committees of the Navy League of Canada and to Royal Canadian Sea Cadets and Navy League Cadets.

The policies also insure volunteers who have paid an annual fee entitling them to membership in The Navy League of Canada.

The policies specifically exclude from coverage, members of the Cadet Instructor Cadre (CIC), as these individuals are deemed to be agents of the Crown and have protection other than through The Navy League of Canada's insurance policies.

The Insuring Clauses of the policies are set up on the following basis:

To pay on behalf of those persons listed above all costs that they may become obligated to pay by reason of liability for:

- i) Damages, including damages for care and loss of services
- ii) Bodily injury and/or personal injury
- iii) Property damage, including destruction of property
- iv) Legal and other costs associated with the defence of claims

Coverage Extensions:

- i) Bodily Injury
- ii) Property Damage to Premises, Property and Operations
- iii) Products and Completed Operations
- iv) Independent Contractors Liability
- v) Participants Bodily Injury
- vi) Non-Owned Automobiles (Legal Liability Only)
- vii) Tenant's All-Risk Legal Liability (limit \$500,000,00. per location)
- viii) Contractual Liability
- ix) Property Damage (on an occurrence basis)
- x) Personal Injury Endorsement (libel, slander, etc)
- xi) Sexual Abuse Sub-Limit
- xii) Legal Liability for Damage to Non-Owned Vehicles

Exclusions:

Liability for property damage does not apply to property owned by an Insured; and will normally not apply to property in the care, custody of an Insured. However, because of the Tenant's Fire, Legal Liability (TLL) Coverage (listed below), the Navy League Policy does extend to cover property damage to the premises rented or used by the Navy League Branches. The limits of liability of TLL is different (and less than) the limit of the General Liability Policy.

- i.) Asbestos
- ii.) Fireworks
- iii.) Employment Practices (Harassment & Wrongful Termination)
- iv.) Absolute Pollution
- v.) Aircraft and Airport Liability
- vi.) All Staff and Volunteers of the Department of National Defence
- vii.) Automobiles
- viii.) Watercraft

ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE

AD&D insurance is provided to cadets and adults in specified classes for death or injury resulting during sanctioned cadet activities. The policy provides a prescribed schedule of benefits as follows:

Schedule of Benefits

May include the following or part thereof:

- i) Loss of life, limb, speech, hearing or sight
- ii) Loss of both hands
- iii) Loss of both feet
- iv) Loss of sight
- v) Loss of hands or feet
- vi) Loss of extremities
- vii) Loss of appendages

Paralysis Benefits

- i) Quadriplegia
(Complete Paralysis of upper and lower limbs)
- ii) Paraplegia
(Complete Paralysis of lower limbs)
- iii) Hemiplegia

(Complete Paralysis of upper and lower limbs of one side of body)

Note:

Any indemnity payable for loss of use should be paid only if such loss is permanent, total and irrecoverable and shall have been continuous for a period of twelve months from the date of the accident. Indemnity provided under this part will not be paid under circumstances for more than one of the losses, the greatest sustained by any one injured person as the result of any one accident.

Additional Benefits

- i) Repatriation
- ii) Rehabilitation
- iii) Accident Reimbursement Benefit
- iv) Accidental Dental Expense Benefit
- v) Family Transportation Benefit
- vi) Home Alteration & Vehicle Modification Benefit
- vii) Seat Belt Benefit

Explanation of Additional Benefits

Repatriation - If the injury sustained leads to death within 365 days of the accident, the insurer may pay to have the body of the Deceased prepared (for burial or cremation) and shipped to the Deceased's city of residence.

Rehabilitation - Payment for a reasonable and necessary expense by the insurer to the claimant for special training as a result of injury.

Accident Reimbursement Benefit - Expenses incurred within 30 days from the date of the accident:

- a) Hospital services
- b) Licensed ambulance service
- c) Some treatments by chiropractors or osteopaths
- d) Rental of crutches and wheelchair
- e) Prescription drugs
- f) Physiotherapy

Accidental Dental Expense Benefit - Payment up to \$2,000.00 for an injury to sound or whole teeth resulting from an accident.

Family Transportation - The insurer may pay to transport one adult family member to a hospital who is incapacitated and more than 200 km from the family home.

Home Alteration and Vehicle Modification Benefit - In situations where the extent of an insured person's injuries require alteration to the principal residence and/or one motor vehicle, the insurer may pay for such modifications.

Seat Belt Benefit - If injury results from a vehicular accident, the sum payable under the may be increased to a maximum of 10%, in the event the insured person was wearing a properly fastened seat belt. In the case of the driver being injured, they must be in possession of a current and valid driver's license and not under the influence of alcohol or illegal drugs

Exclusions

This policy does not cover loss caused or resulting from:

- (i) Intention self-inflicted injuries, suicide or any attempt thereto while sane or insane
- (ii) Declared or undeclared war or any act thereof
- (iii) Accident occurring while insured is serving on full time active duty in the Canadian Forces
- (iv) Travel or flight in any vehicle or device for navigation beyond the earth's atmosphere, or aerial navigation, except to the extent such travel or flight is provided for in the preceding paragraphs.

Note:

Travel Coverage

The policy is in effect at the start of an anticipated journey to a Navy League sponsored and/or supervised activity. Coverage terminates upon return to the home or place of employment whichever shall first occur.

PROCEDURES

Submission of Claims

Accident or sickness must be reported to the National Officer **within thirty (30) days** from the date of the occurrence. It is important to file the claim within this prescribed time, even if it is not complete. Medical or hospital accounts, etc. may be forwarded later. Claims should be submitted as soon as possible in triplicate on the League Insurance Claim Form.

Forms are available through the Division Office or directly from the National Office.

Copies of all accounts for which the claim is being made should be attached to the Claim Form. If all accounts are not available at the time of making the claim, an estimated amount of the total additional accounts payable should be shown.

DIRECTORS' & OFFICERS' LIABILITY INSURANCE

The directors' & officers' liability insurance policy provides indemnification to directors and officers as well as to the entity for alleged wrongful acts committed by them while engaged in activities related to the Navy League of Canada.

Coverage applies to present, past and future directors and officers (as defined in the policy wording).

INSURING CLAUSE

Liability protection for any negligent act, error, omission, misstatement, or misleading statement committed or allegedly committed in the operation, administration or management of The Navy League of Canada.

Note:

This is a "Claims Made" Policy. Discovery of the claim or knowledge of an event that may lead to a claim must be reported during the policy term or agreed upon discovery period. If the policy is cancelled or not renewed, an extended discovery period of 12 months can be negotiated to present a claim for an event that happened prior to cancellation of non-renewal.

Major Exclusions:

- i.) Prior Acts
- ii.) Bodily Injury, Mental Anguish, Death, False Arrest

- iii.) Pollution
- iv.) Breach of Contract (except coverage applies to defence costs for Employment Contract)
- v.) Professional Services
- vi.) Fraudulent or Dishonest Acts
- vii.) Illegal Profit

OPTIONAL INSURANCE PROGRAMS

PROPERTY INSURANCE

The policy provides coverage to the National Office and ONLY to those Branches that have requested to be insured and which is shown on the "Schedule of Insured Branches."

This policy insures buildings, office contents, tenants' improvements, musical instruments, uniforms and related equipment and other contents of specified Navy League Branches.

The minimum limit of insurance for any one Branch or Unit is \$15,000.00 and coverage had been extended to provide for equipment away from the normal parade locations.

For additional information on the nature of coverage provided, please contact the National Office.

MASTER VESSEL INSURANCE

The Master Vessel Insurance Policy provides coverage for owned vessels or vessels loaned to the Navy League and for which the League has accepted the responsibility to maintain insurance.

The boat insurance policy covers, subject to application and acceptance, vessels up to 10 metres in length and with an engine capacity of no more than 50hp. Coverage applies to operation of the vessel under the Protection and Indemnity Section of the policy as well for hull insurance on an agreed value basis.

For vessels exceeding the length and/or engine capacity of the Master Vessel Insurance Program, coverage is available under the Oversize Vessel Facility. Additional details on either the Master Vessel program or the Oversize Vessel facility are available from the League's Insurance Administrator at the National Office.