

# Coverage Options

Over 6,000 churches and Christian charities from coast to coast in Canada choose the comprehensive protection, premium savings and complete confidence provided by *Church Protection Plus*.

One major reason is the choice of unique coverage options available through Robertson Hall Insurance.

If your church or charity has not already taken advantage of all of these options, please take a few moments to read the following summary to understand how each option can better protect your organization and leaders.

**church protection**  **plus**



ROBERTSON  HALL

Setting the Standard for Church Insurance since 1972

## AGREED VALUE CLAUSE



Most standard insurance policies contain a “Co-insurance Clause” requiring policyholders to insure buildings to within a specified percentage of replacement value (usually 90%). Failure to do so can result in a penalty that is equivalent to the proportion that the building is underinsured at the time of an insurance claim, even in a partial loss!

For example; a building with a cost of \$1,000,000 to rebuild that is insured for \$500,000 is only 50% covered and therefore fails to meet the 90% minimum Co-insurance requirement. The maximum that a policyholder can expect to receive in a total fire claim is \$500,000. However, the vast majority of insurance claims are partial losses. If there is a small fire, smoke or water damage claim that costs \$100,000 to repair, the insurance company has the right under the terms of the Co-insurance Clause to offer settlement based on 50% of the cost of repairs, thereby leaving the underinsured church with a \$50,000 bill. With the dramatic increases in construction costs over the past few years, your building coverage amount may have inadvertently fallen below the standard 90% requirement.

**As an alternative to Co-insurance, Church Protection Plus coverage is available with an optional “Agreed Value Clause” which replaces the Co-insurance requirement and eliminates the penalty.**

**If you do not have “Agreed Value” protection and wish to qualify, please complete, sign and return the enclosed “Statement of Values/Building Update Form” and return to our office for review and approval. If your current policy coverage amounts do not match the replacement value indicated on the form, your coverages and premium will be adjusted accordingly and the Co-insurance penalty will be removed and replaced with an Agreed Value Clause.**

In order to assist you in determining the current replacement value of your building(s) we recommend that your trustees, board members or administrator obtain a formal replacement cost opinion every few years from a qualified building contractor or professional property appraiser.

As a reliable and economical alternative to traditional on-site replacement cost appraisals, we also recommend the remote appraisal service available for properties located across Canada through the “CARES” program offered by Lewin, Wright & Company. For more details about their services for churches and charities and for full details of the special discounts available to Robertson Hall clients, please contact them directly at 1-888-222-1599 or visit their website at [www.lewinwright.com/cares/](http://www.lewinwright.com/cares/)

## NO-FAULT ACCIDENT BENEFITS



Liability coverage provides important protection in the event that your organization is sued for injuries suffered by individuals during your sponsored programs, activities and events on or away from your premises. However many churches and charities choose to go beyond the “fault” coverage provided by standard liability protection by purchasing optional Accident Benefits coverage that provides protection, regardless of who is at fault.

**No-fault accident policies are available to protect:**

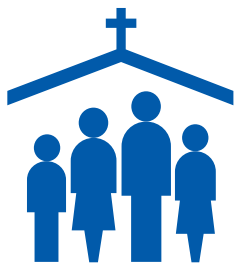
- Your members, adherents, volunteers, seasonal employees and registered participants in sports, recreational, children’s and youth programs
- Your volunteers in construction and renovation projects
- Your staff and students in a Christian school, day care or nursery
- Your staff, counsellors and campers in a Christian campground

**No-fault accident coverage provides reimbursement for injuries suffered on or away from your premises during sponsored activities, including:**

- Accidental death and injury reimbursement
- Medical and dental expenses
- Weekly indemnity for loss of income

Accident Benefit policies are available for as little as \$175.00 annual premium, depending upon the number of persons to be insured.

## ABUSE, MOLESTATION AND HARASSMENT LIABILITY



If your organization has already qualified for full General Liability coverage against Abuse, Molestation and Harassment claims, your leaders are to be commended for their efforts in continuing to ensure the safety and protection of the children, youth and workers in your programs and ministries. With **Church Protection Plus**, qualifying churches and charities enjoy the broadest coverage available in Canada for actual or alleged abuse claims, including:

- “Occurrence form” coverage without exclusion, condition or sub-limit
- Protection for all insurable civil damages (including punitive and exemplary) and legal defense costs
- Reimbursement of criminal defense costs for wrongful allegation
- No-fault counselling and therapy for victims
- No restriction on stacking of multiple policy limits

However if your current policy contains an exclusion for Abuse, Molestation and Harassment, it is most likely because we have not received formal confirmation that your organization has implemented an approved prevention plan. A decade ago, less than 10% of Churches and Christian Charities had a formal abuse prevention plan in place. Now over 75% of our client organizations have qualified for full coverage without an exclusion. In order to assist your organization, we have enclosed the following:

- (1) Our New Abuse Prevention Newsletter containing background information on the issue of abuse, updates on changes to criminal record check procedures, Abuse Case Studies, a 7-Point Checklist of the required policies and procedures, a new FAQ section with answers to the Top 10 List of most frequently asked questions about abuse prevention, a chart titled “Who Should We Screen?”, a new section on Youth Abuse Prevention, Social Networking and an updated Resource Directory containing links to sample prevention plans, training resources and other valuable information.

**We are also highlighting *Plan to Protect*, the most recommended prevention plan for children’s and youth ministries in Canada. For more information or to order a copy of *Plan to Protect*, please contact Winning Kids Inc. at 1-877-455-3555 or [info@winningkidsinc.ca](mailto:info@winningkidsinc.ca)**

- (2) An “Abuse Prevention Declaration” form, which is required as evidence of an acceptable abuse prevention plan being in place. Once your organization has implemented a prevention plan that satisfies the provisions of the 7-Point Checklist, please complete, sign and return the declaration form to Robertson Hall for approval. We can then remove the Abuse, Molestation and Harassment Exclusion from your policy so that you will qualify for full coverage **at no additional premium!**

## UMBRELLA LIABILITY



Recent multi-million dollar liability suits have been a wake-up call for Christian charities in Canada.

In one suit, plaintiffs are seeking damages in excess of \$11,000,000 related to fatalities and injuries resulting from an accident involving a personally owned automobile transporting teenagers to a youth rally. In the other liability suit, an individual plaintiff is seeking \$17,000,000 in damages from an injury suffered due to a fall from a balcony during a short-term missions trip, resulting in quadriplegia. One of the most frequently asked questions by leaders of churches and Christian charities is, “Do we have enough liability insurance?” While most organizations carry General Liability coverage in the amount of \$1,000,000 or \$2,000,000, such limits may no longer be adequate in light of the size and frequency of civil damage judgements being awarded in Canadian courts. That is the reason why all church and charity General Liability policies issued through **Church Protection Plus** now contain a minimum limit of \$5,000,000.

However, liability limits should be chosen carefully to reflect the nature, scope and scale of your

organization’s ministries and activities, and even a \$5,000,000 coverage limit may not be enough! Churches and charitable organizations conducting sports and recreation activities, schools, daycares and children’s and youth programs may be particularly susceptible to catastrophic and multiple injury claims. Ownership and/or use of automobiles, vans and buses can also greatly increase an organization’s potential legal liability exposure.

Many churches and Christian charities are increasing their liability limits to as much as \$15,000,000 to avoid insurance coverage shortfalls in meeting future legal liability obligations. These shortfalls could jeopardize the assets and continued existence of the organization, as well as the personal assets of directors and members.

The additional protection provided by Umbrella Liability is available for as little as \$250.00 annual additional premium, depending on your organization’s size, activities and the amount of coverage required.

## DIRECTORS AND OFFICERS LIABILITY



General Liability and Umbrella Liability insurance policies provide an organization and its directors with coverage for legal liability arising out of claims involving bodily injury, damage to third party property and personal injury (i.e. libel, slander and defamation of character). However there are many other types of civil damage claims faced by churches and Christian charities and their board members that are not covered by a General Liability policy. Claims for civil damages can be instigated by employees, volunteers, donors, regulatory bodies, contractors, creditors or other third parties and can be based on a wide variety of other potential areas of actual or alleged negligence:

- Wrongful Dismissal
- Employment Practices
- Negligent Supervision
- Disciplinary Actions
- Discriminatory Practices
- Financial Mismanagement
- Investment Responsibilities
- Breach of Fiduciary Duties

By arranging Directors and Officers Liability coverages for these areas your organization can gain the following protection:

- Retroactive coverage for unknown prior acts
- Personal liability protection for your directors, officers, committee members and other volunteers
- Entity and Indemnification Reimbursement
- Legal and defense costs associated with an insured claim

### NEW!

**Our Directors and Officers Liability protection now also automatically includes coverage for liability arising out of your Media and Website content including internet video streaming of church services, sermons, Christian education, seminars and community information.**

Directors and Officers Liability coverage is available beginning at a minimum annual premium of \$150.00 depending on the operating revenue of your organization and number of board members.

## WE'RE HERE TO HELP!

For more information or an exact premium quotation for any of these coverage options, please contact us at 1-800-640-0933 or [churchinsurance@robertsonhall.com](mailto:churchinsurance@robertsonhall.com) or [www.robertsonhall.com](http://www.robertsonhall.com)

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