

Third-Party Insurance for Users/Renters of Church Facilities

Information for Wardens

Part of the ministry that goes on in many of our church facilities is providing space and facilities for community programs that aren't part of the actual ministry of the church or parish. Many of our churches also use facility rentals as a source of income to help support their ongoing ministry.

Our churches/parishes and its parishioners are fully covered for all church activities and church-sponsored events (in the buildings and outside) through the diocesan Ecclesiastical Insurance Policy. However, coverage does not extend to others when they are not part of a group of the church or attending a church-sponsored activity. The church cannot be responsible for the actions of these groups or people, if something untoward happens to them or if they cause damage to the property. Ecclesiastical Insurance will only pay out on Third-Party claims where it can be proved that the church/parish was negligent. The Third-Party Insurance Program is offered as a service to those groups or individuals who do not already have such insurance. Some groups such as Girl Guides do have blanket insurance coverage, and many individuals may be covered by their homeowner or tenant policies through the liability clause. If so, they would not have to purchase the Third-Party coverage. However, they must be able to provide proof from their Insurer of coverage for at least \$2 million.

As a convenience for churches and outside (Third-Party) groups that rent or make use of church facilities and do not have coverage, the diocese has arranged for a program which offers Third Party Liability Insurance coverage. The plan is to enable those people and organizations not connected to our parishes, who use or rent parish facilities, to have liability protection. For clarity, this coverage is between the Third-Party and the Insurer (through the Broker which is now HUB). The diocese and church/parish are only acting as facilitators for them.

We have previously used PBL as the broker for this program, however there were changes at PBL (they were acquired by a larger Broker) and several churches indicated dissatisfaction at the service being offered. We have now arranged the same coverage thru another large, full service Canadian Broker – HUB. The coverage continues to be underwritten by Lloyd's. The transition is made smoother by Bob Fournier (who was previously with PBL) moving to HUB, so we have continuity. The new policy was effective Nov 1, 2019.

Some common Questions and Answers:

- *What must outside groups provide for insurance?*
 - Any outside group or individual must provide a liability certificate for the event for \$2 million, or purchase Third-Party Liability Insurance as mentioned above, since not only the church/parish, its Wardens and the diocese could be named in a lawsuit, but also the organizer of the event. This applies as for an outside organization or individual renting the premises for an event either with or without alcoholic beverages being served, regardless if alcohol is sold or provided at no cost.

- *Church/parish events are covered by the Diocesan Policy. What about receptions held at the church, especially after funerals and weddings? Do they need to be separately insured under a Third-Party Liability Policy?*
 - Since funerals and weddings are an integral part of the church's life and are part of the life of the church/parish, these events are covered under the Diocesan Policy. The receptions are typically an extension of these events.
- *What if a parishioner or member of the church wishes to rent the church for a non-parish event (eg a birthday party or anniversary party)?*
 - The event would not be a church sponsored or organized event, so the parishioners (like any other renter) must provide a liability certificate for the event for \$2 million, or purchase Third-Party Liability Insurance as mentioned above, since not only the church/parish, its Wardens and the diocese could be named in a lawsuit, but also the organizer of the event. This applies with or without alcoholic beverages being served. If the church organized and hosted a birthday or anniversary party as a church activity, it would be under the Diocesan Policy.
- *What about events where alcohol is served?*
 - A church/parish function/event where alcoholic beverages are served at no cost is covered by the diocesan policy (no additional cost).
 - A church/parish function or event where alcoholic beverages are served and sold is not covered by the diocesan policy. This would require additional coverage from HUB (see events with Alcohol).
 - Outside individuals or groups always require Third-Party Insurance, regardless if there are alcoholic beverages served or not. If there is alcohol served, additional requirements and premium apply (regardless if they are sold or not).
 - Ontario liquor laws require that any event where alcohol is sold must obtain a permit from the licensing authority which is then prominently displayed at the event. In addition, at all licensed events, serving staff must have successfully completed the Smart Serve Responsible Alcohol Beverages Service Training Program.
- *What about AA (Alcoholics Anonymous) and related groups?*
 - AA (and similar) groups are not covered by Insurance from AA.
 - There is a special rate of \$25 per 6 months for AA and affiliated groups.
- *Can the church/parish pay for the Third-Party Insurance for a group that it wishes to support.*
 - The wardens can choose to support the work of an outside group in many ways including by donating money or providing the space at no or low cost. As an outside group Third-Party Liability Insurance is still required. The wardens can choose to pay for the insurance if they wish, but the group must obtain Third-Party Insurance.
- *Are churches/parishes compelled to use the HUB Program provided by the Diocese*
 - No. The mandatory part is that there is Liability Insurance to protect the church, diocese, wardens and organizers. If the church/parish or group wish to

use another Broker/Underwriter, that is their choice, provided there is a Certificate of Insurance Coverage on record at the church.

- *What happens if we allow a group to rent or use our facilities without coverage?*
 - The diocesan policy insurer (Ecclesiastical through AON) would determine that it was not a church/parish event or group, therefore, there would be no coverage under the policy. The church/parish, Wardens and potentially the diocese would then be liable for any claims which may result (injuries, harassment, abuse, damage to property, etc).
- *Who does a group contact to apply for coverage or if there are issues or problems?*
 - The Primary contact is the Account Manager, Alexandre Blais
 - The Account Executive is Bob Fournier (second level contact)
 - The Vice President of the Ottawa Office is David McNamara (third level contact)
 - There is a separate 24-Hour number for Claims
 - All contact info is in the “Your Service Team” Document