

Clarification about Third Party Liability Insurance

This is to clear up some misconceptions about Third Party Liability Insurance coverage. The plan, offered through PBL Insurance Ltd., is to enable those people and organizations not connected to our parishes, who use or rent parish facilities, to have liability protection. The parish and its parishioners are fully covered for all church activities and church-sponsored events through the Diocesan Ecclesiastical Insurance Policy, up to a maximum of \$10 million. Coverage does not extend to others when they are not part of 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 claims where it can be proved that the parish was negligent.

The Third Party Insurance Program is offered as a service to those who do not already have such insurance. Very often, groups such as Girl Guides do have blanket insurance coverage, and even individuals are usually covered by their homeowner or tenant policies through the liability clause. If so, they would not have to purchase the PBL Insurance coverage. However, they should be able to provide proof of coverage for \$2 million.

Questions have been raised about whether receptions held at the church, especially after funerals and weddings, need to be specifically insured under a Third Party Liability Policy. Since funerals and weddings are an integral part of the church's life, and a regular part of its "operations," these events are covered under the Diocesan plan. The receptions are typically an extension of these events. However, where alcoholic beverages are being served, it is imperative that the parish advise PBL Insurance directly of the details of the function, in order for the Insurance provider to obtain a specific insurance premium for the event. In the case of the rental of the church premises to a parishioner for a non-parish event when alcoholic beverages are served, either sold or at no cost, the parishioners must provide a liability certificate for the event for \$2 million, or purchase Third Party Liability Insurance as mentioned above, since not only the parish and the Diocese could be named in a lawsuit, but also the organizer of the event. This applies as well in the case of an outside organization or individual renting the premises for an event either with or without alcoholic beverages being served, which are either sold or at no cost. Remember too, that where alcohol is sold, a permit must be obtained from the licensing authority which is then prominently displayed at the event. Under the Ontario liquor laws, at all licensed events, serving staff must have successfully completed the Smart Serve Responsible Alcohol Beverages Service Training Program.

Insurance Guidelines for Renting/Using Parish Premises

1	Use of property for a pair function/event when no alcoholic beverage is served	Covered by Diocesan Policy
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2	Use of the property for a parish function/event when alcoholic beverages are served at no cost	Covered by Diocesan Policy
3	Use of the property for a parish function/event when alcoholic beverages are sold	The parish must advise PBL Insurance directly of the details of the function, in order for the Insurance provider to obtain a specific insurance premium for the event **See Below
4	Rental of the property to a parishioner for a non-parish function/event when no alcoholic beverages are served	Not covered. Parishioners must provide a liability certificate for the event, or purchase Third Party Liability Insurance
5	Rental of the property to a parishioner for a non-parish function/event when alcoholic beverages are served, either sold or at no cost	Not covered. Parishioners must provide a liability certificate for the event, or purchase Third Party Liability Insurance
6	Rental of the property to an outside organization or individual for any function/event either with or without alcoholic beverages being served, which are either sold or at no cost	Not covered. Parishioners must provide a liability certificate for the event, or purchase Third Party Liability Insurance

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