

## THE BFL CANADA STRATA PROGRAM COVERAGE

For most strata corporations, insurance premiums are a very significant budget item and such an expense often leads to questions from unit owners and council members as to what it is they are paying for. The following is intended as a basic overview of the exclusive BFL CANADA Strata Program to help answer some of these questions.

**PROPERTY INSURANCE:** This is where the bulk of the insurance premium lies, because this is where the risk of damage is highest and where most claims fit in. This section of the BFL Program notably covers common property, common assets, buildings as they appear on the strata plans and original fixtures installed at time of construction by the developer. The coverage provided is against “all risks” of direct damage, subject to some exclusions and different deductibles, dependent on the cause of loss. To fully comply with requirements under the Strata Property Act, the BFL CANADA Strata Program provides coverage for replacement cost, in addition to including added costs created by new by-laws or building code upgrades.

Water and sewer back-up are by far the #1 causes of loss on strata property, which explains why the deductibles associated to these perils are higher.

The property section also includes LOCK & KEY coverage, subject to a much lower deductible, to help the strata corporation repair and/or rekey common locks after the disappearance or theft of keys or fobs.

**CRIME INSURANCE:** This section covers the strata corporation’s liquid assets, including the CRF, against criminal acts by employees or others. Unit owners’ monthly fees add up quickly and this money deserves protection. This section is not subject to any deductible.

**COMMERCIAL GENERAL LIABILITY:** Also required under the Strata Property Act, this section basically protects the strata corporation, its employees and volunteers against claims for compensatory damages made by third parties due to property damage, bodily injury and personal injury. This coverage extends to defense costs over and above the stated policy limit; these costs could include legal fees for covered claims, which can often be very high, whether the claim is well founded or frivolous.

**CONDO DIRECTORS & OFFICERS LIABILITY:** This section is most beneficial to strata council members, who give freely of their time to help administer strata business for all unit owners. Not only does the exclusive BFL Program policy protect past, present and future council members, it also protects the strata corporation and includes coverage for covered claims made before the BC Human Rights Tribunal.

**GLASS:** Whether vandalism, burglary or accidental breakage are involved, this blanket glass coverage is for exterior building glass only and is subject to a very low deductible.

**EQUIPMENT BREAKDOWN:** Not just boilers, but also mechanical and electrical devices controlling, transforming or utilizing mechanical or electrical power are insured under this section of the BFL Program.

**POLLUTION LIABILITY:** Another BFL CANADA Program exclusive coverage to ensure the strata corporation is well protected in the event a pollutant escapes the property and damages neighboring properties, streams and the like.

**VOLUNTEER ACCIDENT:** No-fault accident benefits are provided to qualified volunteers who may become injured while helping out in a strata activity such as spring cleaning or landscaping.

**LEGAL PROTECTION:** Coverage is provided for legal defense costs facing the strata corporation due to a variety of claims such as breach of privacy, health or safety regulations. This policy also helps pay insured legal expenses of a strata corporation working on settlement of contractual disputes, debt collection, compensation for property damage or bodily injury to acting council members, and more. A telephone legal advice line is also available for strata corporations with general legal questions.

**TERRORISM PROTECTION:** Exclusively designed for the BFL CANADA Strata Protect Program, this insurance provides limited coverage for physical loss or damage to strata property as a result of malicious damage, sabotage or terrorism. Terrorism is defined as politically, ideologically or religiously motivated act or acts of violence or intimidation and is typically excluded under most property insurance policies.

**PRIVACY BREACH EXPENSE PROTECTION:** Another coverage exclusive to BFL CANADA, this insurance provides two-fold coverage:

(i) **Proactive** consulting services to help protect the strata from suffering a privacy breach. The product provides access to a wide array of online resources such as e-training platforms, privacy policy development guidelines, sample incident response plans, contact listings and legislative reference documents and support from IDT911 Consulting, a premier provider of data risk management solutions.

(ii) **Reactive** assistance after a privacy breach. The policy pays for expenses incurred after the breach such as notification costs, crisis management expenses, identity restoration costs and marketing/media consulting expenses. It also extends to offer rewards for information leading to conviction of parties involved in the breach.