



Dear Client,

Over the past days we have been focusing on the wellbeing of our team and clients. We understand you and your team may have questions regarding insurance coverage. Please see below for information and best practices with respect to COVID-19.

In regard to Property Insurance (Business Interruption)

From a property standpoint, business interruption is an extension of property insurance that covers physical loss or damage to insured property resulting from an insured peril. Unfortunately, while COVID-19 represents an interruption in business, it is not as a result of loss or damage to property. Therefore, there does not appear to be any trigger to allow the property coverage to respond and thus, the business interruption coverage is unable to respond as well. The insurance industry is waiting on further clarification on this matter.

Below is an article from the Insurance Bureau of Canada that describes the business interruption coverages in detail:

<http://www.ibc.ca/on/business/COVID-19>

Will my general liability policy respond to COVID-19?

General liability policies may respond to pandemic events if a business/organization has been negligent in, or found to be liable for, failing to protect people/third parties from infection where it is considered that they have a duty.

Therefore, businesses should act in a reasonable manner to protect or safeguard clients/third parties. Please adhere to guidelines set out by governing bodies, real estate associations, and civil authorities.

The RealProSure program defines bodily injury as follows:

Bodily injury means bodily or mental injury, sickness, disease, disability or shock sustained by a person, including death resulting at any time.

However, please be aware of the following exclusion:

EXCLUSIONS

This insurance does not apply to:

2.1. Expected or Intended Injury or Damage

March 27, 2020

General Recommendations

We wanted to provide our clients with some best practices during this situation:

- Follow all recommendations set by governing bodies, real estate associations, and civil authorities.
- Delay entry to properties after possession: Properties should remain vacant for a minimum of 4 days (or longer) ideally, to reduce the likelihood of virus transmission.
- Signage at properties – Advising people not to enter a property if they have been exposed or are suffering symptoms.
- Avoid face-to-face meetings at all costs. Use videoconference tools when possible.
- Avoid open houses and large gatherings.
- Avoid in person meetings showings.
- Frequently wash your hands.
- Open Communications: Formulate a COVID-19 Agent/Firm position and contingency plan for operations.
- Be cautious: As the professional in the transaction, remember that it's okay to be extra cautious given the current situation.

*Please note that these instructions for best practices may change based on updates from provincial/federal government and/or public health authorities. Please be sure to keep up to date on rapidly changing information during the pandemic.

**Please also note that Tool Peet Insurance is currently experiencing a higher-than-normal volume of calls and emails. We appreciate your patience as we work through this.

Stay safe, everyone.

The RealProSure team
Adam D Thomson, CIP
Account Executive

Toole Peet Insurance

TF 1.888.838.6653	athomson@toolepeet.com
T 403.209.5447	1135 - 17 Avenue S.W.
M 403.999.7687	Calgary, AB T2T 0B6
	www.toolepeet.com

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