

Frequently Asked Questions

Does one insurance policy provide coverage for General Liability and Property losses?

No. These are two separate policies that can be combined to provide the desired coverage. Contact HUB International Insurance Brokers for details.

What is meant by the Retailer/Resort Instructional Policy option?

Retailers and resorts that purchase the General Liability insurance policy can choose to purchase professional liability insurance for staff members at a reduced rate. The policy limit under this option is \$1,000,000 (\$2,000,000 annual aggregate) per incident, for the retailer/resort and all professional staff members, regardless of the number of instructors/divemasters insured and/or involved in a claim. The coverage for the retailer and individuals is subject to all Exclusions and Conditions of the professional liability policy.

Does the General Liability policy cover “Tec Rec” services provided by the dive retailer/resort?

Yes. Coverage includes: equipment sales, rentals, repair and gas fills.

Does my store policy cover me if I’m sued by a staff member for wrongful termination, hostile work environment or other similar employment practices claims?

No. In order to have coverage for these types of claims, you must secure an “Employment Practices Liability (EPL) policy designed specifically to cover these types of claims. HUB International Insurance Brokers does have an optional EPL policy available for PADI Members in Canada. Contact HUB International Insurance Brokers for details and an application.

What is “co-insurance” mentioned on the Property policy?

“Co-insurance” refers to an often-overlooked requirement of store contents insurance coverage. A co-insurance requirement means that the insurance company stipulates that the retailer insures a given percentage of his store inventory value (usually 80%). If the retailer insures for less than the co-insurance requirement, then

reimbursement for a loss will be decreased, even if the loss is less than the value insured. For example, suppose your inventory is \$100,000 and your policy has an 80% co-insurance requirement. In this case, you must insure at least \$80,000 of your inventory. If you insured only \$50,000, for example, you would be paid only five-eighths (\$50,000 divided by \$80,000) of any claim in the event of a loss. For a \$10,000 loss, you would only be reimbursed \$6250, even though you insured \$50,000 of your inventory.

When an insurance company includes a co-insurance clause, it can reduce what it pays for a loss. Unfortunately, many retailers overlook co-insurance clauses, which are typically “hidden” in the fine print, and may not be understood until it’s too late. (The PADI-endorsed policy does not have a co-insurance clause.)

How does the Business Income coverage, which is part of the Property Policy, work?

A Business Income loss is lost net income resulting from a direct loss from a covered peril, such as a fire or windstorm. A Business Income loss is not covered unless it is directly caused by covered damages to the insured property.

For example,* if the building suffers a fire (covered peril) and the business is unable to open for a period of time, the Business Income coverage will respond. However, if the building damage is due to earthquake (or flood/wave action), which is not a covered peril under this policy, the Business Income coverage will not respond. Also, Business Income losses must be proven by your financial records in order to verify your loss.

What is “Business Income From Dependant Property” coverage, which is part of the property policy?

If income is received from property you do not occupy, such as a hotel/resort, and that property is damaged by a peril covered in your policy, you are covered up to \$5,000 for loss of Business Income from that “dependant” property.

If I sell my store, can I transfer my policy to the new owner?

No, the new owner must obtain a new policy.

** Subject to policy terms and conditions.*

This brochure is for illustration purposes only and is designed as a general description of the policies. Coverage will be determined by the actual policy language.



Premium and Policy Limits are
Shown in Canadian Dollars



HUB International Insurance Brokers

299 3rd Ave • Kamloops, BC V2C 3M4

Ph: 250-372-3155 • Toll Free: 1-800-661-6194 • Fax: 250-372-5464

Email: gordon.hammond@hubinternational.com • Website: www.hubinternational.com/barton/padi

2017-2018 PADI RETAILER & RESORT INSURANCE APPLICATION



**Exclusively for
PADI Canada Retailer and
Resort Members**

POLICY PERIOD

12:01 a.m. June 30, 2017
through 12:01 a.m. June 30, 2018

IMPORTANT: To maintain continuous coverage – coverage from June 30, 2017 – completed renewal applications with proper payment must be received at HUB International Insurance Brokers by **June 30, 2017. There is no grace period.** All others will provide coverage from the date and time of receipt by the agent.

You are insured when this completed, signed application with correct payment is received by HUB International Insurance Brokers and approved by the insurance company. You will receive a Certificate of Insurance. PADI will be notified that your coverage is in force.

Policy Limits: \$1,000,000/\$2,000,000 aggregate

This brochure and application are for illustration purposes only and are designed as a general description of the policies. Coverage will be determined by the actual policy language.

PLEASE PRINT

PADI Retailer/Resort No. _____

Legal Business Name _____

Mailing Address _____

City _____ State/Province _____

Country _____ Postal/Zip Code _____

Physical Address _____

Phone No. (_____) _____

Fax (_____) _____

Email _____

Website _____

Policy Period: From _____ to 30 June 2018

If you FAX your application to HUB International Insurance Brokers +1 250 372 5464 — please DO NOT mail a duplicate application.

FAX services available 24 hours a day. Be sure to retain your fax confirmation.

To ensure you receive a professional quote on a program designed specifically to meet your business needs, please complete the questions on page 2 and 3 of this application. If you have any questions about how to complete the application, please call HUB International Insurance Brokers at 1 800 661 6194 or +1 250 372 3155.

Someone will be happy to walk you through the application process.

Please continue on page 2 of this application.

CHECK LIST

- Ensure correct name and address are on the application. Please include phone and fax number.
- List Additional Insureds on page 3.
- List all dive professionals for the Retailer/Resort Instructional Policy on the form provided (#10265).
- Include Form 300DT for each dive professional insured under the group policy.
- Read and sign Statement of Understanding on page 3.
- Mail or fax (do not mail a duplicate if faxed) to HUB International Insurance Brokers.

If your application is incomplete, it will be returned to you for completion.

ADDITIONAL INSURED

- As per existing policy if renewing
- New list of additional insureds (*use page 3 or separate sheet*)

PREMIUM PAYMENT

Upon receipt and review of the complete application, HUB International Insurance Brokers will provide you with a total premium for your approval before coverage is placed. Upon your acceptance of the policy and premium, credit card information can be provided to HUB International Insurance Brokers, or a cheque/money order mailed.

Cancellation Notice: This contract may be terminated by the insurer giving to the insured 15 days notice of termination by registered mail

Premium and Policy Limits are Shown in Canadian Dollars

GENERAL LIABILITY INFORMATION – PLEASE PRINT CLEARLY, complete this form for each Multiple Location.

Estimated 12 Months gross receipts: \$ _____ This should include all activities from your dive-related business **EXCEPT** instructional/supervision and travel receipts.

Do you have a pool on premises? Yes No If yes, is it used for non-diving activities, other than PADI Swim School? Yes No – If yes, contact HUB International Insurance Brokers for a supplemental form.

Do you conduct recreational or business activities, other than diving, at your facility? *(please check below)*

- Cylinder hydrostatic testing
- Other equipment sales, please explain _____
- Other equipment repairs, please explain _____
- Other equipment rentals, please explain _____
- Other business activity, please explain _____

PROPERTY INFORMATION

Building Construction: Wood Frame Masonry Concrete

Distance from Ocean _____

Do you have a Central Station Burglar Alarm? Yes No
(Burglary coverage is afforded only when an operational alarm is in place.)

Please indicate the amount of insurance required for each category below. The amount should include the replacement value for items such as store displays, fixtures, computers, furniture, equipment and tools (including rental equipment), property of others (employee scuba equipment stored on premises, customer repair equipment, etc.) and tenant improvements. Inventory value should be reported at your cost. PADI Members with multiple locations should complete this section for each location (see page 3).

Furniture, fixtures and equipment	\$ _____
Property owned off premises, including compressors	\$ _____
Inventory/Stock	\$ _____
Property of others	\$ _____
Tenant improvements	\$ _____
Signs	\$ _____
Other (please specify)	\$ _____
TOTAL	\$ _____

Do you own the building? Yes No

If yes, what is the replacement value? \$ _____

Please complete the following whether you own or rent the building:

What is the square footage of your building? _____

Year building was constructed? _____

Sprinklered? Yes No

Updates on plumbing, electrical, roof, etc. _____

Your premium is based on the total property value. This will be the full amount of coverage under the policy.

CLAIMS INFORMATION

Have you had any store property (fire, burglary, theft, etc.) or liability (slip & fall, other in-store liability) claims in the past five (5) years?

Yes No If yes, please list the date of the claim, the amount paid and any amounts outstanding. _____

Previous insurance company _____

OPTIONAL COVERAGES

- Non-owned Auto Liability – \$100,000 limit; \$1,000,000 limit
- Travel Agents E&O Estimated 12 Months Gross Receipts for travel: \$ _____
- Additional Loss of Business Income \$ _____ (\$40,000 automatically quoted)
- Lake, quarry or pond – Please contact V&B for a supplemental form.
- Employment Practices Liability
- Excess - \$1 million limit; \$2 million limit; \$3 million limit; \$4 million limit \$9 million limit

Retailer/Resort Instructional Policy

PADI Retailers and Resorts are able to secure professional liability insurance for the dive professionals who provide professional services for the retailer at reduced prices. PADI Retailers and Resorts can now provide coverage for all agency dive pros.** Discount rates are computed according to the gross receipts for instructional and supervisory activities.

Estimated 12 Months Gross Receipts for instructional/supervisory/EFR revenue: \$ _____

Number of Instructors* _____ Divemasters/Assistant Instructors* _____ EFR/Swim Instructors _____

*Please complete form number 10265 and have each dive professional complete form number 300DT.

**Non-PADI Pros not to exceed 25% of those insured under the Retailer/Resort Instructional Policy.

STATEMENT OF UNDERSTANDING

Please Read and Sign

We (I) know and acknowledge that this policy does not provide any insurance coverage or defense for snow-ski rentals or snow-ski binding adjustments. No coverage is provided for firearms (this exclusion does not include spearguns). No coverage is provided under this policy for any professional liability except under the terms of the Contingent Professional Liability coverage. Professional Liability includes, but is not limited to, instruction of scuba diving and snorkeling or other forms of aquatic activity. The policy defines these and other exclusions as they apply. Burglary Coverage is afforded only with a Central Station Alarm (Policy Warranty). This policy does not provide coverage for Workers Compensation or employer's liability.

Date _____ Print Name _____

Signed _____ Position _____

Additional Insureds

1. Employees are automatically covered under your retailer or resort operator's policy (does not include Professional Liability).
2. Divemasters and instructors may not be added as additional insureds.
3. Owners, officers and directors of your business are automatically covered under your policy and need not be added as additional insureds (does not include Professional Liability).
4. Additional names and addresses may be written on plain paper and attached to this application.

PLEASE PRINT CLEARLY

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Multiple Locations

*** PADI Members with multiple locations may apply for a single policy to cover all locations. Under the multi-store policy, the single liability limit and policy aggregate is shared by all locations.**

If you have more than one facility and are submitting one application for multiple locations, complete page 2 for each location and complete the following: How many locations do you have? _____ Provide the address of each location and PADI Retailer & Resort Member number (*attach a separate sheet if necessary*).

Retailer or Resort Member Number _____

Retailer or Resort Member Number _____

Facility Name _____

Facility Name _____

Address _____

Address _____

City/State or Province _____

City/State or Province _____

Zip or Postal Code/Country _____

Zip or Postal Code/Country _____

Dive Charter Boat and Individual Professional Liability Insurance are also available.

If you are not a current PADI Retailer or Resort Member, please contact the PADI Retailer & Resort Department at your PADI Regional Headquarters for applications.