
Approved: *original approved by Christine Houghton, Director, Visitor Services Branch, BC Parks, Ministry of Environment*

Effective Date: 28-June-2011

Relationship to Previous Policy: This policy replaces all previous policy regarding insurance for permits

Park Use Permits

Permit Insurance Requirements

Purpose

The purpose of this policy is to provide direction in determining the insurance and indemnity requirements for park use permits and resource use permits (PUPs).

Scope

This policy applies to park use permits and resource use permits (PUPs) within parks, protected areas, conservancies and recreation areas. Ecological reserve permits and permits for operation of campgrounds and BC Parks' facilities are not addressed by this policy.

Definitions

“cross liability” means a clause in an insurance policy which has the result that the policy applies as though separate policies were issued to each named insured (e.g. both the permittee and the Province)

“indemnity” means an agreement to protect the Province from losses, claims or damages arising from actions of the Permittee or activities undertaken on the permit area.

“insurance” means the undertaking by one person to indemnify an insured person against loss of liability for loss in respect of a certain risk or peril to which the insured person (i.e. the object of the insurance) may be exposed, or to pay a sum of money or other thing of value on the happening of a certain event.

“park” for the purpose of this policy means Crown land established or continued as a park, protected area, recreation area, or conservancy under the *Park Act*, the *Protected Areas of British Columbia Act*, or the *Environment and Land Use Act*, and does not include ecological reserves

“park use permit” means a licence, issued under the *Park Act*, authorizing an activity or a course of behaviour or conduct, or the occupancy, use, development, exploitation or extraction of a natural resource on or in a park

“resource use permit” means a licence, issued under the *Park Act*, authorizing an activity or a course of behaviour or conduct, or the occupancy, use, development, exploitation, or extraction of a natural resource on or in recreation area

Policy

1.1.1 Assessment of Risk

All permits will be assessed in respect to risk to the Province as a result of the use and/or activity authorized in a PUP. The Province could be held responsible as land-owners for any loss or damage of the Permittee which may occur on park land. Therefore as part of the review process for a new or renewed permit application insurance requirements must be assessed. This assessment needs to ensure:

- Insurance requirements in the PUP are consistent with provincial standards;
- Protection for the Province is provided; and
- There is clear direction regarding whether insurance is required or not, the type of insurance and the appropriate amount of insurance.

1.1.2 Indemnity

An indemnification clause provides some protection for the Province from damages resulting from any act or omission of the Permittee in its activity under the permit and therefore must be included in all permits. The standard indemnity clause used is as follows:

“The Permittee will indemnify and save harmless the Province, its servants, employees and agents against all losses, claims, damages, actions, costs and expenses that the Province, its servants, employees and agents may sustain, incur, suffer to be put to at any time arising, directly or indirectly, from any act or omission of the Permittee, its employees, agents contractors and licensees under this Permit, except for any liability arising from any independent, negligent act of the Province.”

1.1.3 Insurance

As an indemnification clause does not provide absolute protection for the Province from lawsuits arising from a loss in conjunction with the Permittee’s activity, all permits which authorize a use or activity where a potential risk, loss or damage to the Permittee’s clients, other users or the Province is present, must require the Permittee to maintain insurance.

The Permittee must obtain and pay for all insurances as required by the PUP. Types of required insurance policies are outlined below; however, depending on the activity special insurance policies may be required in addition to the basic requirements.

The Province, its officers and servants must be added as additional insured under the policy with respect to the Permittee's operations as authorized by the PUP and the policy must also contain a cross-liability clause.

1.1.4 Types of Insurance

Commercial General Liability Insurance - (also referred to as Comprehensive General Liability Insurance) is required to cover the basic operations of the Permittee. Commercial General Liability insurance is required to protect the Province, its servants, agents or employees against damages arising from bodily injury (including death) sustained by any person or persons; and property damage or other claims arising from any occurrence on the permit area due to acts or omissions of the Permittee.

Aircraft Liability Insurance – Required where the use of aircraft (of any kind) is necessary for the performance of the contract.

Marine Liability Insurance – Required where the use of a floating vessel or structure is necessary for the performance of the contract and an integral part of the contractor’s operations (i.e. it would not be possible to perform the agreement without it).

Tenant Legal Liability Insurance – Required where persons other than BC Parks employees (e.g. caretakers) are living or working in buildings or structures that are owned by the Province.

Homeowner’s Liability Insurance – Required where persons have ownership of a building or structures within a park.

1.1.5 Standard Insurance Provisions

Insurance policies are required to meet the following criteria, which are specified in the Insurance Article of the permit boiler plate:

- All insurances required to be maintained by the Permittee shall be primary and not require the sharing of any loss by any insurer of the Province.
- The Permittee shall provide the Province with evidence of all required insurance within 10 working days of the Commencement Date of the permit. Such evidence shall be provided on a completed Province of British Columbia Certificate of Insurance form.
- When requested by the Province, the Permittee shall provide to the Province certified copies of all policies of required insurance.
- All required insurance policies shall be endorsed to provide the Province with 30 days advance written notice of cancellation or material change.
- The Province, acting reasonably, may by notice to the Permittee, require the Permittee to change the form, amount, deductible or other term of an insurance policy required herein, and the Permittee shall change the insurance policy accordingly. The Province is required to provide the Permittee with 60 (sixty) days notice of the change(s).

1.1.6 Levels of Insurance Coverage

Whenever insurance is required for the Permittee's activity, the amount of coverage should reflect the risk to the Province and park user as determined by the Regional Manager. Recommendations on the amount of insurance required will be made by the Risk Management Branch. The table below provides examples of risk levels associated with activities (list is not comprehensive).

Examples of risk levels :

<u>Risk</u>	<u>Type of activity</u>
Low	Recreational Guiding, Tours
Medium	Operations permits, Film Productions
High	Ski Hills, Mechanized Skiing

1.1.7 Proof of Insurance

Evidence of the required insurance must be provided before the permit is validated. The insurers must be licensed to do business in British Columbia. If proof of insurance is not delivered or if the insurance is inadequate, the Regional Manager may initiate procedures to suspend the activity.

1.1.8 Exemptions from liability insurance requirements

All requests for full or partial exemptions from liability insurance requirements must be approved by the Regional Manager.

Where permit holders who provide recreational services to park users are unable to obtain the required liability insurance, liability insurance waivers may be considered. The use of liability insurance waivers is not recommended and will only be used in exceptional circumstances and at the discretion of BC Parks.

APPROVED AMENDMENTS:	
Effective Date:	Summary of Changes: