



## **Business Interruption Insurance - Update**

We have recently been updated by PIB regarding business interruption insurance through AVIVA.

The Royal Canadian Legion property policy includes a business interruption endorsement that provides cover for business interruption that result from direct physical loss or damage to property caused by an insured peril. The COVID-19 virus does not constitute “physical loss or damage” to property. As a result, Legions are not covered caused by COVID-19 worldwide pandemic under this endorsement.

The Royal Canadian Legion policies include business interruption endorsements that extend coverage for negative publicity and restricted access. These extensions may apply in limited circumstances in respect of an outbreak of a contagious or infectious disease (for instance, E-Coli or Salmonella) at or within the applicable area of a client’s premises, which is required to be reported to the appropriate Canadian government authorities. However, these extensions do not provide coverage for worldwide pandemics such as COVID-19.

Although this is a difficult message to deliver, the claims teams will begin advising that all such claims citing business interruption due to the COVID-19 virus worldwide pandemic will be denied.

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