

**Overland Flood Insurance Information for Small Business/Farm  
Owners/Charitable Organizations**

- A key requirement for eligibility for Disaster Financial Assistance for small businesses and farms is that the damage was not insurable.
- In the majority of communities in BC flood insurance is reasonably and readily available for small businesses and farms.
- Our goal is to provide the maximum help we can within our program's legislated framework. Therefore, a small business or farm may be eligible for DFA provided the business or farm after the owner has their insurance agent complete this form confirming that prior to this disaster event insurance for overland flooding and/or landslides was not available to them and the reason why.
- For those small businesses, farms and charitable organizations that carry no insurance at all and have no insurance agent, we will still require them to obtain evidence that they could not have purchased flood insurance prior to this event. To accept any DFA applicant without this assurance would not be fair to those businesses, farms and charitable organizations in your area that did specifically purchase flood insurance, and may now be paying a substantial insurance deductible with no possibility of receiving any DFA.
- Standard small commercial lines policies can provide an endorsement or extension to cover flood damage. For our program to be satisfied that insurance was not available we require this form completed from the insurance company stating that insurance was not available for overland flooding and the reason it was not available. The reason is important because there will always be specific businesses and farms that have had too many claims in the past to be insurable or whose buildings do not comply with zoning or construction standards. Individual business choices and/or poor management do not make an applicant eligible for DFA.
- For any event, if there is some doubt that flood insurance is reasonably and readily available in a community, we consult with the Insurance Bureau of Canada, Pacific Region. Readily available means that a small business or farm could obtain commercial insurance from a local agent with optional endorsements or extensions to cover overland flooding. We should not confuse reasonably available with affordable. What any business or farm can afford is subjective and specific to that business or farm. What is important is that the price of insurance was reasonable considering the risk. For example if a business or farm chooses to build a structure next to a river prone to flooding the premiums and and/or deductible for flood coverage will be substantially higher than for a building on higher ground.
- Because flood insurance is available, and we know of several businesses and farms in your area that have flood insurance, we cannot automatically accept that all DFA applicants could not get flood insurance.
- It is quite possible that no one in your area can get flood insurance today, but the question is could they have obtained insurance prior to this event.
- **Attached is the form that needs to be completed by your insurance agent as part of your application for the DFA program.**

