



**Harbour Authority
Corporation**
P.O. Box 233
Galiano Island, BC
V0N 1P0

DIRECTORS AND OFFICERS LIABILITY INSURANCE FOR HARBOUR AUTHORITIES

WHO IS INSURED?

Directors and officers liability insurance applies to anyone who serves as a director or an officer of a harbour authority (HA).

WHAT IS INSURED?

In general, claims can be made against directors and officers for performing actual or allegedly wrongful or negligent acts.

A “D&O Wrongful Act” means any actual or alleged defamation, breach of duty, neglect, error, misstatement, misrepresentation, omission or other act done or attempted by any insured in the discharge of their duties solely in their capacity with the ENTITY or any matter claimed against them solely by reason or their status as an INSURED PERSON.



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WHAT IS DIRECTORS AND OFFICERS LIABILITY INSURANCE?

Directors and officer's liability insurance (D&O) serves as a risk financing mechanism. These risks are, for example, liability type losses for which the directors and officers of a non-profit organization may be held liable due to wrongful or negligent acts or omissions made against them. These are claims which may arise from the decisions and actions taken within the scope of their regular duties.

Typically, the D&O liability insurance policy also covers the legal fees and other costs the organization may incur as a result of such a suit.

WHAT ARE THE KEY EXCLUSIONS OF THE POLICY?

Intentional illegal acts or illegal profits are typically not covered under D&O insurance policies; coverage would only extend to "wrongful acts" as defined under the policy, which may include certain acts, omissions, misstatements while acting for the organization. Due to exclusions and as a matter of public policy, coverage is not provided for criminal fraud. Coverage does not include fraudulent, criminal or intentional non-compliant acts or cases where directors obtained illegal remuneration, or acted for personal profit.

WHO MANAGES DIRECTORS AND OFFICERS INSURANCE?

The D&O insurance is purchased and administered by the Harbour Authority Corporation (HAC), a federally incorporated body working on behalf of HAs. Small Craft Harbour provides a contribution to the HAC to cover a portion of the premium.