



# All about insurance and **water damage**

# Water damage: Tops the list of home insurance claims

Water damage now accounts for nearly half of the amounts paid for home insurance claims in Quebec, well ahead of damage caused by fire and theft. Each year, the Canadian insurance industry pays out over one billion dollars in claims to victims of water damage.

Water damage can result in high repair bills for home owners. It can also cause permanent damage to carpeting, floors, furniture and electronic equipment, as well as destroy priceless family photos and valuables.

Homeowners can get insurance to cover such damage and avoid the unforgiving financial cost of such a disaster. There are also a number of steps they can take to reduce the risks of water damage and, at the same time, protect their belongings and their homes.



# Prevention tips



## Outside the house

### Roof

- Twice a year, check the condition of your roof.
- Have it inspected by a professional if it's more than 20 years old.

### Drains, eaves troughs and downspouts

- Make sure downspout extensions are directed at least 1.8 metres away from your home's foundation walls. And make sure the water doesn't flow towards your neighbour's home. Downspout extensions should be directed away from your house towards the road, back yard or back lane.
- Make sure they're not clogged; for example, clear dead leaves from eaves troughs in the fall.

### Door and window caulking

- Once a year, check the caulking.

### Basement window wells

- Inspect them to make sure no water has accumulated.

### Outside faucets

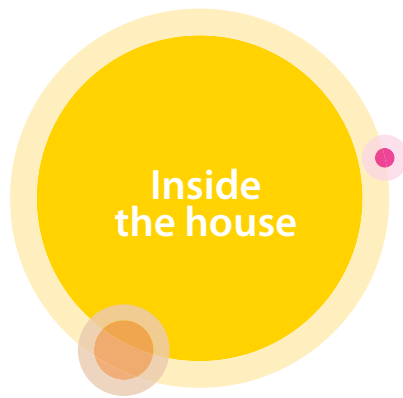
- In the fall, turn off the water supply and drain garden hoses.

### Fondation walls

- Once a year, check foundation walls for cracks and seal any immediately.

### Rain barrels

- Help reduce the risk of water seeping into your basement.
- Provides a ready supply of non-chlorinated water for your lawn and garden.



## Inside the house

### Water entry point

- Make sure everyone who lives in the house knows where the water entry point is located.

### Washing machine and dishwasher

- Don't leave the house when they are on.
- Check the condition of the water hoses.

### Hot water tank

- Consider replacing it after 10 years; otherwise, inspect it regularly.

### Winter

- Heat well to prevent pipes from freezing and bursting.

### Sump pump

- Have it checked by a plumber to make sure it's working well.

### Mainline backflow valve

- Mechanism that prevents water overflow from a municipal sewer from backing up into the basement of your home. The backwater valve closes automatically when sewers back up.
- Have it checked by a plumber to make sure it's working well.

### In-pipe check valve

- Mechanism that prevents waste water from backing up into your basement. However, it won't prevent waste water from backing up into basement sinks, toilets, showers and laundry tubs.

### If you're away from home for several days during the winter

- Turn off the water and drain the pipes OR
- Ask someone to keep an eye on your home every day if you're away for more than seven days, to make sure your heating system is working.

If you don't, damage caused by pipes freezing is not covered.


# What to do following a loss

Call your insurer as soon as possible if you've suffered water damage. He'll ask you to describe the exact circumstances of the loss in order to establish whether your policy covers the damage. Depending on the type and extent of the insured damage, he'll tell you what to do.




## Measures to take


To avoid making the damage worse or endangering your health, it's important that you take certain measures quickly:




Close gas lines and turn off the power making sure you're not standing in water.




Remove the water that has seeped in immediately to limit the damage and protect belongings that aren't damaged.




Clean the affected areas and items exposed to water.



Make a list of the items destroyed and take photos or a video to document the loss.



Unless they're a health hazard, don't throw out damaged items right away. Sort through them, if applicable, outside your home.



Keep invoices and vouchers for expenses incurred.



## Settling a claim: key stages\*

1

Emergency repairs are made to stop damage from getting worse.

2

Plans are drawn up to repair and rebuild the damaged premises.

3

A list of damaged and destroyed property is drawn up.

4

Items are cleaned, repaired or replaced depending on the type and condition (as per the coverage chosen when you purchased your home insurance policy).

5

The rooms of the home are rebuilt.

\*These stages may vary from disaster to disaster or from insurer to insurer; they're provided for information purposes only.

# Insurance coverage

Your home insurance protects you against water damage, but not in all cases. It all depends on the coverage you chose when you purchased your policy (endorsements added) and the cause of the disaster.

## Basic coverage

Home insurance policies cover damage caused by water main breaks (aqueducts) and damage caused by overflowing indoor sanitary installations (i.e., washing machine that overflows, leaking hot water tank or broken water main).

Optional coverage (endorsements) exists to cover risks such as a sewer back-up and water seepage.

However, gradual and repeated damage is never covered. Neither is damage caused by flooding when a body of water overflows.

The home insurance policy does not generally cover damage caused by flooding when a body of water overflows. However, coverage is beginning to be offered on the market. Don't hesitate to contact your agent or broker to find out more.

Note that gradual and repeated water damage is never covered.





## Optional coverage (endorsements)

You can choose to purchase the following optional coverage to insure against certain kinds of water damage. Talk to your insurer.

### Water Damage – Ground Water and Sewers Coverage:

- Sudden and accidental seepage of underground or surface water.
- Sudden and accidental discharge, backing up or overflow from sewer connections.

### Water Damage – Above Ground Water Coverage:

- Sudden and accidental leaking of rain or snow.
- Sudden and accidental discharge, backing up or overflow of rain water gutters, eaves troughs or downspouts.





Loss	Examples
<p>Damage caused by a sanitary installation</p>	<p>The hose on your dishwasher broke, while it was running.</p> <p><b>Covered</b></p> <p>Your bathtub overflowed.</p> <p><b>Covered</b></p>
<p>Damage caused by a city water main break</p>	<p>The city water main which supplies your home breaks and the water floods your basement, which you've just renovated.</p> <p><b>Covered</b></p>
<p>Damage caused by water seepage</p>	<p>A violent thunderstorm hits and water leaks through your roof and ends up in your living room.</p> <p><b>Covered</b> if you added the endorsement <b>Water Damage – Above Ground Water Coverage</b> to your home insurance policy.</p> <p>With spring and the melting snow, water seeped through your home's foundation walls.</p> <p><b>Covered</b> if you added the endorsement <b>Water Damage – Ground Water and Sewers Coverage</b> to your home insurance policy.</p>
<p>Damage caused by sewer back-up</p>	<p>Heavy rains fall on your neighbourhood and the sewers can't handle the large quantity of water that hits the ground, with the result that the sewers back up into your basement.</p> <p><b>Covered</b> if you added the endorsement <b>Water Damage – Ground Water and Sewers Coverage</b> to your home insurance policy.</p>
<p>Damage caused by flooding when a body of water overflows (i.e., spring flooding)</p>	<p>An ice jam raises the level of the river which your home overlooks. The water rises on to your land and floods your basement.</p> <p><i>The home insurance policy does not generally cover this kind of damage. However, coverage is beginning to be offered on the market. Don't hesitate to contact your agent or broker to find out more.</i></p>
<p>Damage caused by mildew, condensation, rot, mold and gradual deterioration.</p>	<p>Your roof has reached the end of its useful life and you delayed replacing it. Water seeps in causing mildew and mold on the ceiling and walls inside the home.</p> <p><b>Not covered</b></p>

**N.B.** For the damages covered, your insurer will compensate you according to the coverage chosen under your policy. He'll also take into account the maximum amount (limit) for the reimbursement of certain categories of items.

# Questions?

If you're not satisfied with your insurer's response to a claim, you can contact the Insurance Information Centre. An expert will inform you of your rights and recourse, assist you, intercede on your behalf with your insurer, if needed.

Agents from the Insurance Information Centre are also available to answer your general insurance questions.

## **Insurance Information Centre**

From Montreal: 514 288-4321

Elsewhere in Quebec: 1 877 288-4321

You will also find relevant information on the website **[Infoassurance.ca](http://Infoassurance.ca)**





## **About the Insurance Bureau of Canada (IBC)**

Founded in 1964, the Insurance Bureau of Canada is the national trade association of the private property and casualty insurance industry. Its members supply more than 90% of the non-government home, car and business insurance in Canada. Together with its members, IBC strives to constantly help consumers gain a better understanding of their insurance and prides itself on being an unparalleled source of information about insurance coverage, sums insured, loss prevention and claims settlement.

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