

Memo

To: Small Business Owner
From: Department of Municipal Affairs & Environment – Emergency Services
Re: Newfoundland and Labrador Disaster Financial Assistance Program

The Department of Municipal Affairs & Environment – Emergency Services is responsible for administering the Newfoundland and Labrador Disaster Financial Assistance Program (NL-DFAP). This program mirrors the Government of Canada's Disaster Financial Assistance Arrangements (DFAA) Program.

The enclosed package includes:

1. General Rules for Small Business Owner
2. Claimant Application
3. Confirmation of Insurance Form
4. Claims Process Client Survey
5. Information on Government's use of Direct Deposit
6. Frequently Asked Questions and Answers

Please complete the enclosed claims package and submit it to: Department of Municipal Affairs & Environment – Emergency Services, 45 Major's Path, 2nd Floor, P.O. Box 8700, St. John's, NL A1B 4J6. The deadline date for submission of applications is three (3) months from the date of the recent adverse event. **Late applications cannot be accepted.**

This program is not an insurance program and will not cover all damages that would normally be covered under an insurance policy. The NL-DFAP provides financial assistance to restore/repair property to pre-disaster condition and replace essential items.

Once Emergency Services has received your application, you will be contacted by this office, or an insurance adjuster will be assigned to your claim. The adjuster will contact you to arrange a visit to your property to assess the damage.

You must include with your claim application any pictures of the initial damage as well as an explanation of the repairs completed. All invoices and verification of payment must be submitted with your application. **Applicants must not dispose damaged items until they have been assessed by the adjuster. They can be removed from the property and placed outside; please take photos of the items before you remove them from the damaged property.**

If you require further information, please contact Emergency Services at 709-729-3703 or 1-888-395-5611.

Crystal Kent
DFAA Manager

(Rev. 01/2020)

General Rules for Small Business Owners

The NL-DFAP is based on the Government of Canada's DFAA Program.

The program is not an insurance program and only allows for compensation for repairs and/or items that are deemed essential. Compensation will not normally be paid on items that are insurable.

As applications are received at Emergency Services, they will be reviewed and assigned to Insurance Adjusters contracted by Emergency Services, who will contact the claimant to make arrangements to visit the business.

The adjuster will complete their assessment of the damage and provide a written report to NL-DFAP staff with their recommendations.

The level of compensation received for damages will be based on the criteria established by both the federal and provincial programs.

In determining the value of the loss, NL-DFAP staff will take into consideration the adjuster's report, the contractor's estimate and any other information provided by the adjuster that is required to assess the value of the loss (building, equipment, inventory, etc.). If the situation warrants, and upon the request of the adjuster, outside consultants may be required to further assess damages. In some instances the assessed property value (derived from municipal assessment rolls) may be applied.

To meet the NL-DFAP Guidelines the following criteria must be met:

1. For the purposes of NL-DFAP, a small business is an enterprise with yearly gross revenue as reported for income tax purposes of **at least \$10,000 but not more than \$2 million** and employing not more than the equivalent of 20 full-time employees. It also must be other than a "**hobby business**" and be an owner-operated enterprise where the individual owner-operator is acting as a day-to-day manager and owns at least 50% of the business. Self-employed fishers, farmers, trappers, loggers and other harvesters of natural resources are included.
2. Proof of ownership for the small business is required (share information, letter from claimant's lawyer, etc). The claimant must own at least 50% of the damaged business.
3. The damage suffered must not have been reasonably insurable. Insurance to cover flood damage for small business owners is available; an explanation must be provided if insurance is not carried. The Confirmation of Insurance Form must be completed by your insurance company and forwarded to our office at your earliest convenience. If the insurance policy only covers a portion of the loss, an explanation as to why insurance was not carried on the entire loss is required.

4. If other sources of funding such as fundraising events, insurance including the Provincial Crop Insurance Program, other financial programs such as the federal Business Risk Management Suite of Programs, etc., are available to assist with the loss, the loss will not be eligible under the NL-DFAP.
5. Loss of income, wages, profits and /or revenue, loss of production or productivity, loss of opportunity, inconvenience, loss of asset or market value or market share, loss of wages and reduction of yield (crops, fish, wood) are not eligible.
6. Claimants must be the **legal owner of the damaged property and must provide proper documentation to verify this.** This can be achieved by submitting documentation such as a property Deed, Mortgage document, municipal assessment, etc.
7. A letter from the local government identifying whether the damaged property is or is not located in an area which has been designated, recognized or zoned as a flood risk area is required;
8. If applying for lost or damaged inventory or stock, etc., the small business owner must provide proof of original purchase of same. These receipts will be required in order to process the claim. If the documentation is not available, the items cannot be claimed.
9. Claimants should document all damage through photographs, videos, etc. **Damaged items must not be disposed of until they have been assessed by an adjuster. They can be removed from the property and placed outside; please take photos of the items before you remove them from the damaged property.**



Newfoundland and Labrador Disaster Financial Assistance Program (NL-DFAP)
Small Business Application

Event Name: _____ Date of Event: _____

Business/Farm Name: _____

Mailing Address: _____

City/Town: _____ Postal Code: _____

Location of damaged property: _____

Owner's Name: _____ Tel #: _____ Cell #: _____

Operator's Name: _____ Tel #: _____ Cell #: _____

Primary Contact Name: _____ Telephone #: _____

E-mail Address: _____ Fax #: _____

Type of Business: Sole Proprietorship [] Partnership []
Limited Company [] Incorporation [] Rental Property []

If the business is a Partnership, Limited Company or Incorporation, please list partners/shareholders and share percentage: A copy of the Partnership Agreement and the Share Register is required. If your business is a Rental Property and you are not 100% owner, please indicate the share percentage and any other owner(s) name in the area provided below.

Name: _____ Share Amount: _____

Name: _____ Share Amount: _____

Name: _____ Share Amount: _____

Is the damaged business a hobby business? Yes [] No []

Does this business operate year round? Yes [] No []

If no, please identify the period of operation: _____

Full time Employees _____ # Part time Employees _____ Hours of Operation: _____

Under the NL-DFAP, 40 hours per week is considered full time hours. Does this business exceed the person hour's equivalent of 20 full time employees? Yes No

What is the total number of person hours worked per year for this business? _____

What is the Gross Annual Revenue of the damaged business?

Year Prior to event: _____ Current Year: _____

Does the business owner receive income from another source? Yes No

If yes, please list the source of income and the gross revenue received:

Source: _____ Amount: _____

Source: _____ Amount: _____

Did you receive funding or are you eligible to receive funding for this loss from another source such as insurance, fundraising events, or other federal/provincial funding programs: Yes No

If yes, please provide the source(s) of funding and the amount received:

Source: _____ Amount _____

Is the damaged property located in an area that has been designated, recognized or zoned as a flood risk area: Yes No

Is there an insurance policy/program in place for this type of loss: Yes No

If yes, please indicate the insurance company and/or program: _____

If private insurance is carried, please have the enclosed Confirmation of Insurance Form completed by your insurance company and forwarded to our office. If insurance/revenue is provided through other federal or provincial government programs, please provide the proper documentation.

If insurance is not carried please provide an explanation: _____

Please provide a brief description of the business: _____

Agriculture claims

Size of Farm: _____ Size of damaged area: _____

Please identify your loss, #1 has been completed as an example. If additional space is required please use a separate sheet.

<u>Type of Loss</u>	<u>Quantity</u>	<u>Cost</u>
1. <u>Blueberries</u>	<u>1 Acre/500 lbs</u>	<u>\$2.50 per/lb</u>
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Rental property business, please complete (A), (B) & (C)

(A) What is the Gross Annual Rental Income of the rental business: _____

(B) Please provide the number of rental properties listed under this small business: _____

(C) Address of rental properties:

- 1. _____
- 2. _____
- 3. _____
- 4. _____

The following documentation is required for a Small Business claim and must be included with your application. Failure to provide same could result in the denial of your claim.

- 1. Confirmation that the applicant owns at least 50% share of the business. This can be accomplished by providing one of the following documents:
 - a. A letter from a lawyer confirming the number of shares owned by the applicant;
 - b. A Certified Share Register;
 - c. Articles of Incorporation (if applicable); or
 - d. Partnership Agreement (if applicable).
- 2. Confirmation of income and hours worked is required. Completion of the attached "Income and Employee Eligibility Confirmation/Validation Form" by the applicant's accountant will meet this requirement. Additional methods include:
 - For Hours Worked
 - Record of Employment; or
 - Payroll record

For Income

- An audited financial statement; or
 - The appropriate filed Income Tax Return (see below) including a copy of your Income Tax Assessment for the year prior to the adverse event.
 - Sole Proprietorship or a Partnership: T1 General including a Statement of Business Activities (Form T2125) and any financial statements provided to the Canada Revenue Agency (CRA) when filing is required.
 - Rental Properties: T1 General including the Statement of Real Estate Rentals and any other financial statements provided to CRA when filing is required.
 - Corporation or Limited Company: T2 Corporation Tax Return, including a Statement of Business Activities (Form T2125), and any financial statements provided to CRA when filing is required.
3. Confirmation that the owner-operator is acting as a day-to-day manager is required and can be provided by submitting a position description, or similar independent objective evidence.
 4. The attached Confirmation of Insurance Form must be completed by the applicant's insurance company and forwarded to Emergency Services.
 5. Claimants must be the **legal owner of the damaged property and must provide proper documentation to verify this.** This can be achieved by submitting documentation such as a property Deed, Mortgage document, municipal assessment, etc.

Fisherpersons are also required to provide:

- A copy of their fishing license.

Please describe how the damage occurred, the extent of the damage and list all damaged items and/or loss of inventory or equipment on the sheets provided. Please note that verification of the original purchase is required.

“The information contained in this package is required solely to determine the eligibility of the claim and may be reviewed by NL-DFAP partners (i.e., adjusters, contractors, auditors and other agencies, etc.,) for the purpose of assessing, verifying and processing your claim under the NL-DFAP. This collection is authorized under Section 61(c) of the Access to Information and Protection of Privacy Act (ATIPPA). Any questions or comments may be directed to the number indicated below.”

Please sign and date below to allow for same

_____ Claimant Signature	_____ Claimant Signature
_____ Date	_____ Date

**Applications must be forwarded to:
Department of Municipal Affairs & Environment - Emergency Services
to the address below
Tel: (709) 729-3703 or Toll Free: 1-888-395-5611 – Fax: (709) 729-3857**

Please identify damaged items including loss of inventory or equipment and the original cost. Verification of the original purchase will be required. Please enclose pictures of damaged items.

1. _____ Original Cost: _____
2. _____ Original Cost: _____
3. _____ Original Cost: _____
4. _____ Original Cost: _____
5. _____ Original Cost: _____
6. _____ Original Cost: _____
7. _____ Original Cost: _____
8. _____ Original Cost: _____
9. _____ Original Cost: _____
10. _____ Original Cost: _____
11. _____ Original Cost: _____
12. _____ Original Cost: _____
13. _____ Original Cost: _____
14. _____ Original Cost: _____
15. _____ Original Cost: _____
16. _____ Original Cost: _____
17. _____ Original Cost: _____
18. _____ Original Cost: _____
19. _____ Original Cost: _____
20. _____ Original Cost: _____
21. _____ Original Cost: _____
22. _____ Original Cost: _____



Newfoundland & Labrador Disaster Financial Assistance Program - Small Business

Income and Employee Eligibility Confirmation/Validation

(To be completed by the Applicant's Accountant)

Business Owner's Name: _____

Applicant's Business Name: _____

Business Address: _____

With reference to the Applicant's request for financial assistance under the Newfoundland and Labrador Disaster Financial Assistance Program, confirmation/validation is made of the following:

- Gross revenues as reported for tax purposes by _____
(Applicant's Business Name)
of at least \$10,000 but not more than \$2 million for the tax period immediately preceding the year of the adverse event, _____
(state year)

- That we have reviewed the total hours or days worked by all full time and part time staff of the claimant's business for the taxation year or T4 year immediately preceding the year of the adverse event and can confirm that the total hours or days worked does not exceed the equivalent of hours or days that would have been worked by 20 full time employees.

Signed this _____ day of _____, 20_____

Name of Accountant: _____

Address of Accountant: _____

Signature and Designation: _____

Return form to: Emergency Services at Fax #: 709-729-3857

Mail to: Department of Municipal Affairs & Environment - Emergency Services

45 Major's Path, 2nd Floor, P.O. Box 8700, St. John's, NL A1B 4J6

Questions? Call 709-729-0631 or toll free at 1-888-395-5611



4. If the answer is "yes" to any of the above questions, then it is MANDATORY that the loss be reported to the insurance company.

Was a claim presented? [] Yes [] No

5. If yes, was a claim paid? [] Yes [] No

If claim paid, how much was paid \$_____ Deductible Amount \$_____

Note: If you reported the damage to your insurance company or broker and were advised by the "assigned adjuster" that there was no coverage, please provide a copy of the denial letter issued by your insurance company. If you did not receive a denial letter, please use the comment section below to explain why the claim was denied.

6. Comments:

Multiple horizontal lines for providing comments.

Signature of Authorized Representative of Insurer

Date

Printed Agent's Name

Agent's Telephone Number

Provide a copy of your company's stamp here, if one is available.

Claimant's Signature

Date

Please submit form to the address below

**NEWFOUNDLAND AND LABRADOR DISASTER FINANCIAL ASSISTANCE
PROGRAM (NL-DFAP)**

CLAIMS PROCESS CLIENT SURVEY

PURPOSE

Department of Municipal Affairs & Environment – Emergency Services is conducting a survey related to your experience with our NL-DFAP claims process. The information collected will be used to evaluate and seek your feedback on the quality of the claims process. Your feedback will better inform us and allow us to undertake any enhancements to our NL-DFAP process.

CONFIDENTIALITY

The survey will take less than 10 minutes to complete. Your answers will be kept strictly confidential as the information collected will be protected in accordance with the Access to Information and Protection of Privacy Act.

Your co-operation is important to ensure that the information collected is as accurate and as comprehensive as possible.

If you have any questions concerning privacy, confidentiality, the survey's purpose or its content, you may contact Emergency Services at 1-888-395-5611 or email at NL-DFAP@gov.nl.ca.

INSTRUCTIONS

- Do NOT write your name or any other personal identifying information on this questionnaire.
- Read each statement carefully before selecting a response.
- Please circle the number in the table to indicate your response.

RETURNING THE QUESTIONNAIRE

Please return the completed questionnaire to the address below after the final payment for the loss has been received.

The Survey outcome plays an important role in ensuring the process is meeting the needs of our program applicants.

Your feedback is very important to us.

SECTION A – YOUR EXPERIENCE WITH THE CLAIMS PROCESS

Please indicate your level of agreement with each of the following statements related to your experience with the claims process, where 1 is strongly disagree and 4 is strongly agree. Circle the number in the table to indicate the desired response.

STATEMENT	LEVEL OF AGREEMENT				
	Strongly Disagree	Disagree	Agree	Strongly Agree	Don't Know
a) Applications to apply for the NL-DFAP were readily available to you.	1	2	3	4	5
b) The application was easy to complete	1	2	3	4	5
c) The application package was well organized and informative.	1	2	3	4	5
d) Application procedures were straight forward and easy to understand.	1	2	3	4	5
e) NL-DFAP staff were knowledgeable about the program and the application process.	1	2	3	4	5
f) The wait period from when you submitted your application up until a representative from NL-DFAP visited your home was reasonable.	1	2	3	4	5
g) The wait period from when the assigned adjuster visited your home up until you received payout was reasonable.	1	2	3	4	5
h) The payout received from the NL-DFAP was reasonable.	1	2	3	4	5
i) Emergency Services provided prompt response to any inquiries you may have made regarding your application.	1	2	3	4	5
j) The option to choose a cash settlement was beneficial to you.	1	2	3	4	5
k) I was satisfied with the overall claims process experience.	1	2	3	4	5

SECTION B – RESPONDENT FEEDBACK

In the space provided, please record any comments you may have related to your experience with this program.

Thank you for completing the survey

Please remember that all information is kept strictly confidential



DEPARTMENT OF MUNICIPAL AFFAIRS & ENVIRONMENT
EMERGENCY SERVICES



Government of Newfoundland and Labrador
Department of Municipal Affairs & Environment
Fire, Emergency and Corporate Services

Provincial Government Increases Use of Direct Deposit for Payments

In an effort to process payments in a more cost-effective manner and to reduce the costs associated with cheque processing, the Provincial Government has increased its use of direct deposit and has phased out government-issued cheques. Direct deposit is the preferred payment method for all payments since December 31, 2016.

Direct deposit is a secure, reliable and cost-effective way to deliver payments, and governments, business and individuals are moving away from traditional forms of payment and instead using electronic payments. .

To register for direct deposit as it relates to the Newfoundland and Labrador – Disaster Financial Assistance Program (NL-DFAP), please complete the information below and return it with your application.

Claimant Name: _____

Mailing Address: _____

Bank Institution Number: _____ Bank Transit Number: _____

Bank Account Number: _____

Please provide a copy of a void cheque or have your bank provide the required information

Notice: This personal information is being collected for the purpose of facilitating payment of the NL-DFAP under the authority of Section 61(c) of the *Access to Information and Protection of Privacy Act*. If you have any questions relating to the collection of this personal information please contact the DFAA Manager at the contact number and address indicated below.



Newfoundland and Labrador Disaster Financial Assistance Program (NL-DFAP) Frequently Asked Questions and Answers

What is the NL-DFAP?

The NL-DFAP is a basic financial assistance program intended to help individuals, small business owners (including farmers), not for profit organizations (including not for profit business cooperatives), and local governments meet the cost of disasters which exceed what they might reasonably be expected to bear on their own.

A disaster is defined as an abnormal event, such as a storm surge, flooding, landslide, hurricane or tropical storm that occurs in a defined geographical area and results in widespread damage that threatens the necessities of daily living and represents a burden to the affected communities and the province. It is not the result of negligence or deterioration of property and infrastructure.

The NL-DFAP must be read in combination with the federal government's Disaster Financial Assistance Arrangements (DFAA) Program which can be located at: [Public Safety Canada DFAA Guidelines](#) .

Who can apply?

Individual homeowners, tenants, small business owners, not for profit organizations, local governments and provincial government departments can apply. See program criteria/guidelines included in the application package for more information on eligibility requirements and documentation required.

What does the NL-DFAP cover?

The program only covers essentials. The program covers costs associated with re-instating the necessities of life, including help to repair and restore damaged homes and replacing essential items such as appliances, etc. The program helps re-establish or maintain the viability of small businesses and working farms and repair, rebuild and restore public works and essential community services.

What is not covered under the NL-DFAP?

As the program only covers essentials, the list of what is not covered can be extensive. The following list while not exhaustive provides some general direction on what is **not** covered:

- Damage/loss which was reasonably insurable;
- Non-primary residence, such as summer homes, cabins;
- Recreational equipment, such as campers, travel trailers, ATVs, etc.;
- Private roads unless they provide access to a primary residence;
- Damage to large business (gross annual revenue greater than \$2 Million);
- Costs that are covered in whole or in part by another government program (e.g. crop insurance);
- Damage to property/structures caused by recurrent erosion; and
- Loss of income.

What is an insurable peril/loss?

Insurable peril/loss is a loss for which an insurance policy can be purchased (for example, sewer back-up, wind damage, food loss due to power outage).

What is an uninsurable peril/loss?

Uninsurable peril/loss is a loss for which an insurance policy cannot be purchased.

How to apply?

Applications can be accessed and completed on line or made available at the local government office. Applications can also be obtained by contacting Emergency Services (see below) and requesting an application to be mailed. It should be noted that applications are only available when Emergency Services has advised that an adverse event has been approved for consideration under the NL-DFAP.

How long does it take to get assistance?

Once an application is received at Emergency Services, it is assessed for eligibility under the NL-DFAP. Eligible private sector applications are then forwarded to the adjusting company that will be responsible for the administration of the claims and are assigned to an insurance adjuster. Local government applications are forwarded to the Department of Municipal Affairs & Environment (MAE). There are several factors which impact the length of time it takes to process and close a claim. These include but are not limited to:

- severity of the adverse event;
- the number of applications received;
- the availability of the applicant once contacted by the insurance adjuster/MAE; and
- the choice made by the private sector applicant as to whether to take a cash settlement or have repairs completed by a contractor; and
- factors such as the type of repair required, time of year, availability of contractors, etc., may affect all eligible claims.

Emergency Services makes best efforts to process claims in a timely manner.

Who may I contact if I have other questions?

Please contact Emergency Services at 1-888-395-5611 or e-mail at: NL-DFAP@gov.nl.ca