

**U.S. ROTARY CLUB & DISTRICT LIABILITY INSURANCE PROGRAM
LOSS PREVENTION STRATEGIES**

Fireworks

Fireworks can be an integral part of community celebrations enthralling the public with color and excitement. However, there are many risks with fireworks. The unstable nature of explosives poses a safety threat to the public in addition to those providing the display. Mishandling of fireworks is also a danger. Additionally, there is the threat of property damage if the launch site is not a safe distance from buildings and homes.

Claims arising out of pyrotechnic events can be very costly. A prior claim arose out of misfired fireworks that injured approximately 100 people resulting in a total claim cost exceeding \$7M. *Because the Rotary club was named as an additional insured on the pyrotechnic firm's \$10M policy, the Program and the Rotary club were not impacted by this loss.*

INSURANCE INFORMATION

When your club signs an agreement with a pyrotechnic firm, your club must purchase a primary general liability policy with a minimum limit of \$2M per occurrence/aggregate. In addition, your club must require the pyrotechnic firm to carry a limit of \$5M per occurrence/aggregate and require that they name the club as an additional insured on a primary and noncontributory basis and provide a certificate of insurance.

The Program will provide excess insurance over a club's primary insurance policy in the case of a catastrophic loss.

WHAT YOUR CLUB NEEDS TO DO:

- Contact a local insurance professional to discuss your insurance needs for your event.
- Send RI Risk Management a Certificate of Insurance evidencing the primary fireworks coverage in place for your club's event. Email to insurance@rotary.org or fax to 847-556-2147
- Have an attorney review any contracts associated with the pyrotechnic firm.
- Contact RI Risk Management if your club incurs a loss from your event. (claims@claims.org)

This requirement does not apply if your club's role is to sponsor or provide funding for the fireworks, and another party, such as a municipality or chamber of commerce, signs the contract with the pyrotechnic firm.

With respect to the "sale" of fireworks, there is coverage under the Program for the "legal sale for fundraising purposes of pre-wrapped fireworks purchased from a licensed third party."

UNDERSTANDING LOSS PREVENTION STRATEGIES

Display fireworks should only be used under supervision of a trained professional.

Reference the following information for additional safety training:

- [OSHA Safety Guidelines for Display Fireworks Sites](#)
- [NFPA Public Education - Fireworks](#)
- [National Safety Council - Leave the Fireworks to the Experts](#)
- [Consumer Product Safety Commission Fireworks Safety Resources](#)
- [Fireworks Safety 2020 | Consumer Product Safety Commission - YouTube](#)
- [CPSC PSA | Don't be a Dummy Firework Safety Public Service Announcement - YouTube](#)
- [USCPSC Fireworks Safety 2018 - 2 min - YouTube](#)
- [Directory of State Requirements for Public Fireworks Displays](#)

Nothing in this document can be construed to extend, alter, vary, or waive any of the provisions of the insurance policy described; coverage is always subject to policy terms and conditions. The information in this document is intended to help Rotarians and Rotaractors manage risk. The information does not constitute professional, legal, financial or insurance advice. It is highly recommended that you contact a local legal, financial or insurance professional for such advice.