



Rotary Districts of Australia

Claims Procedures for Sexual Molestation Incidents

October 2007



Procedures

All claims involving third party personal injury or property damage must be reported to Rotary's insurance brokers, Aon Risk Services (Aon) as soon as possible. Claims or incidents involving allegations of molestation are to be reported to Aon immediately. The policy coverage for molestation is provided on a "claims made" basis. This means that the policy covers (subject to terms and conditions) claims made against Rotary and notified to the insurer during the period of cover. The policy will not cover claims made and notified to insurers after the expiry of the period of cover. Accordingly, should you become aware of any fact or circumstance that may give rise to a claim, it is imperative that this be reported during the period of cover.

All incidents and claims involving:-

- any writ, statement of claim, summons, application or other originating legal or arbitral process, cross claim, counterclaim or third or similar party notice issued against or served upon the Insured
- the receipt by the Insured of any written or verbal notice, or demand for compensation, in respect of alleged sexual and/or child assault, abuse or molestation, or attempt at such assault, abuse or molestation committed or alleged to have been committed
- the receipt by the Insured of any written or verbal notice of any facts and/or circumstances and/or allegations of sexual and/or child assault, abuse or molestation or attempt at such assault, abuse or molestation committed or alleged to have been committed.
- the receipt by the Insured of any written or verbal notice of any facts and/or circumstances and/or allegations which are required to be reported to any Federal, State or Territory Government body

are to be reported to Aon immediately upon the individual, Club or District becoming aware of the incident or claim. Notification can be directed via the District Insurance Officer or to Aon directly at the following address:-

Mr Alex Dimitrijevic
Aon Risk Services
GPO Box 65
BRISBANE QLD 4001

Tel: (07) 3223 7456
Fax: (07) 3223 7529
E-mail: alex.dimitrijevic@aon.com.au

The insurer will be informed immediately and has undertaken to review the notification and record as either:-

- An Incident Report Only – No further investigation required
- An Incident Report Only – Further investigation required
- A Claim



The deductible applicable to each molestation claim is \$25,000 and is "costs inclusive". This means that Rotary is responsible for the first \$25,000 of each claim including legal and investigative costs incurred in handling an incident/claim. In the event of an incident/claim Rotary will be asked to reimburse the policy deductible to the Insurer, prior to any settlement with the third party or where expenses have been authorised. A deposit deductible of an appropriate amount may be requested by the insurer after consultation with Aon and Rotary.

In relation to claims management, the Insurer will keep Aon and Rotary advised of: -

- Major developments in each claim.
- Status of the claims on a quarterly basis.
- Discuss options for settlement of claims that involve a commercial settlement.
- The date and final cost of finalised claims.