

U.S. CLUBS AND DISTRICTS LIABILITY INSURANCE PROGRAM

OVERVIEW

What is the Program?

Who is Covered?

What is not covered?

Claim Scenario

Resources

INSURANCE COVERAGE PROVIDED

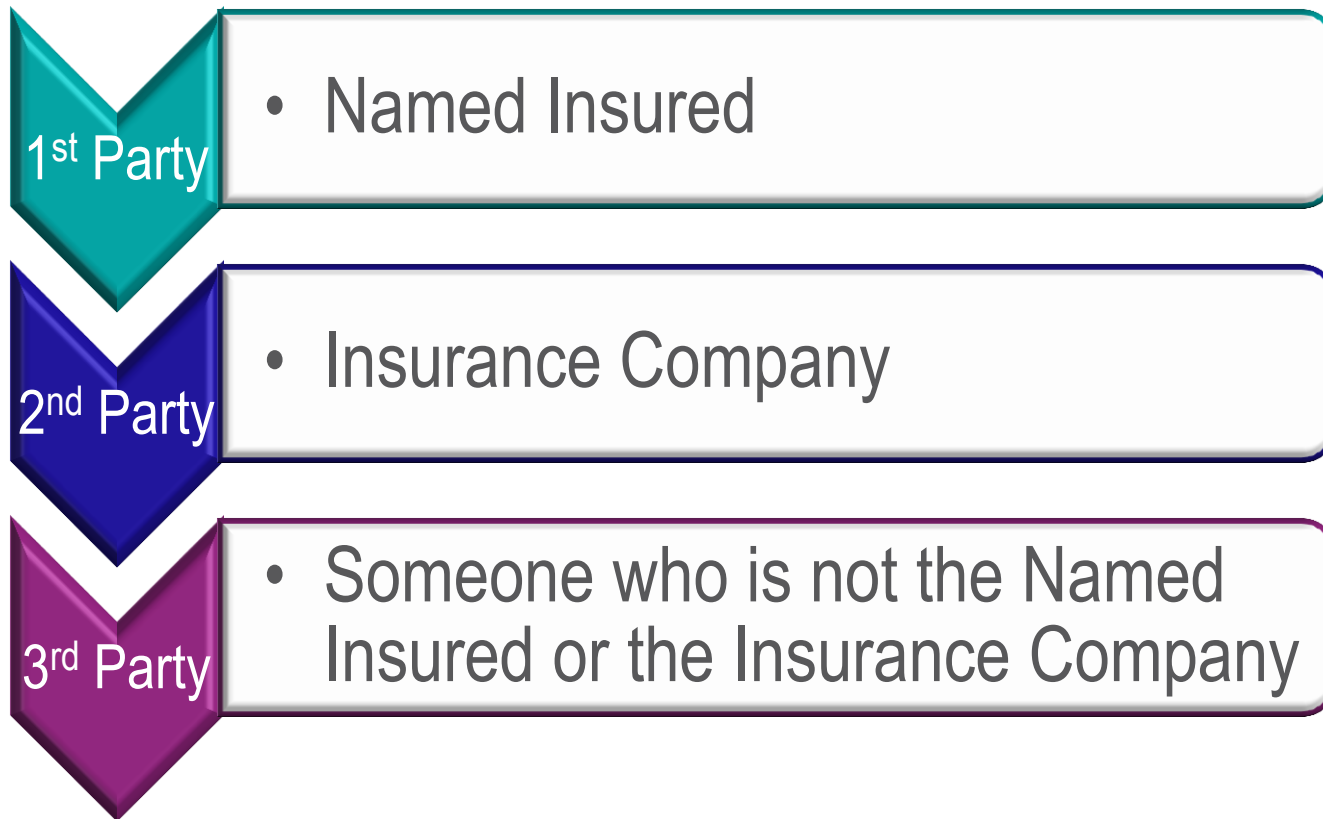
**General Liability
(GL)**

**Directors' & Officers' /
Employment
Practices Liability
(D&O / EPL)**



WHAT IS GENERAL LIABILITY?

Coverage for THIRD Party claims due to Bodily Injury or Property Damage caused by the negligence of the Named Insured



GENERAL LIABILITY – COVERED ENTITIES

**D&O/EPL
Policy has the
same Named
Insured Entities**

Rotary Club

Rotary District

Rotary Club Foundation

Rotary District Foundation

Interact Club

Rotaract Club

Rotary Community Corps

Certified Youth Exchange Organizations

RYLA

President Elect Training Seminar PETS

GENERAL LIABILITY- WHO ELSE IS COVERED?

Rotarians

Volunteers

But only with respect to their liability for acts within the course and scope of their duties on behalf of a Rotary Club or District

There is no coverage for a Rotarian or Volunteer who gets hurt while participating in a club function or has their personal property damaged.

GENERAL LIABILITY - INCLUDED COVERAGES

Liquor
Liability

- This is EXCESS coverage
- NO coverage in Mexico

Non-owned &
Rented Auto Liability

Abuse & Molestation

The U.S. Club Insurance Program provides abuse and molestation coverage by not having a coverage exclusion. The policy language is silent in regards to the abuse and molestation coverage; which is interpreted by underwriters as providing the coverage.

WHAT IS D&O / EPL?

D&O

- **Claims against Directors & Officers for alleged wrongful acts**

EPL

- **Employment and Membership Claims**

Does not cover bodily injury or property damage



COVERAGE TERRITORY

General Liability

- Worldwide, BUT
- Claim/Suit must be brought or lawsuit filed in the U.S., its territories and possessions, or Canada

D&O/EPL

- Worldwide, BUT
- Only when legally permissible

COVERAGES NOT PROVIDED



You should consult with an insurance agent/broker, if your clubs/district has unique exposures, owns property, etc.

EXCLUSIONS

GL Exclusions

Coverage is negligence based; if the Rotary Club was not negligent, the policy does not respond.

Available is \$5K Medical Payments to 3rd Parties ...



... But not available while participating in an Athletic Event ...



...Use Waivers / Release Forms!

GL EXCLUSIONS

**Property in your
care custody &
control**

Aircraft

**Non-Owned
Aviation**

**Autos
(Owned &
Commercial)**

Watercraft

**Professional
Liability**

**Racing, Speeding,
Demolition, or
Stunting Activity**

Fireworks

**Intellectual
Property
Infringement**

LARGE EVENTS

For Club / District events over 25k in attendance

Club/District must obtain separate Liability Insurance Policy

Notify RI Risk Management

- Provide Certificate of Insurance

U.S. Club Program becomes excess

Does not apply when your club is a vendor at a large event organized by others

GENERAL LIABILITY – IMPORTANT!

**Liability
Insurance
for Named
Rotary
Entities
Only**

**You cannot
“lend”
your
insurance
to another
non-profit**

**Ensuring
others
carry their
own
insurance
is essential**

COVERAGE FOR ADDITIONAL PREMIUM??

Not Available

The Program cannot be endorsed for an additional charge to provide additional or excluded coverages

Additional Insurance is not available for purchase through RI

Contact your local insurance agent/broker, if your club needs additional insurance

CLAIMS

WHY DOES IT MATTER WHO PAYS FOR CLAIMS?

It's not just "insurance"!!

The first \$250,000 of **every** general liability claim is paid by your insurance assessments

Insurance costs are determined each year by how much has been and will be paid for claims

WHAT ARE TYPICAL GENERAL LIABILITY CLAIMS?

Slip & Falls

- Tripping over an obstacle such as cord, curb, or other objects

Property Damage

- To the venue used for an event (damage to walls of the floor)

Always inspect your event grounds/venue before attendees arrive and check for any tripping and slipping hazards

CLAIM SCENARIO

A local Rotary Club (1st party) puts on a Strawberry Festival in a City Park and charges a Funnel Cake maker (Vendor) a booth fee to sell funnel cakes.

A fair attendee (3rd party) trips over the vendor's electrical cord and hurts her knee resulting in medical bills that someone needs to pay.

WHO IS RESPONSIBLE?


The City

- The Park is the City's property and they allowed the Street Fair to take place.

The Rotary Club

- The Club leased the park and invited the vendor to participate.

The Vendor

- It was their cord
 - They are responsible for its placement
- 

CLAIM SCENARIO – WHO IS RESPONSIBLE & WHY?

Often all parties are named in a lawsuit

The City

- In the City's agreement with the Rotary Club, the Club was required to and agreed to indemnify the City – the City contractually required that the Rotary Club defend the City.

The Rotary Club

- The Rotary Club could be held responsible for the fair attendee's medical bills.
- The Club leased the park and most likely told the vendor where to set up its cart.

The Vendor

- It was their cord.
- If it turns out that the vendor is a nineteen year old entrepreneur whose only asset is the funnel maker cart and no formal agreement between the vendor and the Rotary Club was in place, the Rotary Club would most likely be held responsible for the fair attendee's Bodily Injury claim.

CLAIM SCENARIO – WHO IS RESPONSIBLE?

Contract Language can be your first line of defense

The Rotary Club should require a written agreement from every vendor that:

Requires the vendor to indemnify the Rotary Club

Requires the vendor to carry General Liability Insurance

Requires the vendor to name the Rotary Club as an additional insured on their General Liability policy

CLAIMS

Report to Risk
Management as soon
as possible

Obtain & complete a
Claim/Incident report
form

Email to:
claims@rotary.org

RESOURCES

RESOURCES



Lockton (insurance broker)

Toll Free: 1-800-921-3172 Email: rotary@lockton.com



RI's Risk Management

Email: insurance@rotary.org



Insurance Portal



E-Mailings from Risk Management to Club & District Officers

INSURANCE PORTAL

www.locktonportal.com/sites/rotary.resources

- ❖ **Username:** Rotarian
- ❖ **Password:** Resources#1

- ❖ **What can you find on Portal?**
 - ❖ Certificates of Insurance
 - ❖ Summary of Coverages
 - ❖ Loss Control Guidelines
 - ❖ Claim Forms

NEED A CERTIFICATE OF INSURANCE?

1

- Go to the Insurance Portal

2

- Open Certificate of Insurance (PDF document)

3

- Enter date, your club name, Certificate Holder name and address, and event name and date

4








- Print or save certificate of insurance to your computer

5





- Provide copy to party that requested certificate

INSURANCE PORTAL

Rotary Forms

Type	Name
	Instructions - How to Fill Out A Certificate
	General Liability Incident Report Form
	General Liability Incident Handling Guidelines
	(NEW) 2017-2018 Certificate of Insurance 
	2016-2017 Certificate of Insurance
	Add document

General Information

Type	Name	Modified
	2017 US Club and District Insurance Program	3/28/2017 11:09 AM
	FAQ - Common Insurance Concerns 2016-17 update	10/20/2016 10:53 AM
	DO and EPL Insurance Summary	10/19/2016 4:43 PM
	2016-17 Letter to U.S. Rotary Clubs for Portal	7/7/2016 10:54 AM

Presentation was prepared by Rotary's Risk Management

Questions? Please contact: insurance@rotary.org

While information may be presented to help explain coverage, it by no means alters or changes what the insurance policy says or how it will actually apply in the event of a claim.

Nothing in this presentation shall be construed to extend, alter, vary, or waive any of the provisions of the actual insurance policies.

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