



SPORTSMEN'S INSURANCE AGENCY PLAN, INC.

SPORTSMEN'S INSURANCE AGENCY HAS BEEN PROVIDING LIABILITY INSURANCE FOR NON-PROFIT CLUBS FOR OVER 30 YEARS.

The following are some definitions and explanations of the coverage provided by our liability policy which is underwritten by the Hanover Insurance Company.

LIABILITY: State or quality of being liable. That for which one is liable; one's pecuniary obligations, or debts, collectively.

NEGLIGENCE: Failure to use the care that is required to protect others from unreasonable chance of harm. Negligence may be caused by acts of omission, commission or both.

BODILY INJURY: Means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these at any time.

PROPERTY DAMAGE: Physical injury to tangible property, including all resulting loss of that property.

OCCURRENCE: Means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

AGGREGATE: The overall limits of insurance that will be paid during the specified policy period.

ADDITIONAL INSURED CLUB MEMBERS: Includes, as an insured, any of your members, but only with respect to their liability for your activities or activities they perform on your behalf. **NOT THEIR BODILY INJURY.**

*This policy is designated to protect the club and club members for their negligence if they should cause or contribute to bodily injury and/or property damage to a third party (non-club member).

*This policy provides coverage for **ALL** of your organized club functions.

*The policy term is for (1) one year and is in force **ONLY** during organized club functions.

*The coverage territory is the United States of America (including its territories and possessions), Puerto Rico and Canada.

*There is no deductible.

POLICY INCLUDES:

Miscellaneous Club owned equipment – Up to \$4,000.00 in value with a \$250.00 deductible, more coverage can be added with an additional premium.

Products-Completed Operations – Bodily Injury/Property Damage that occur somewhere other than the insured's premises and involve the insured's products or work.
i.e.: Food prepared and served by the club.

Fire Damage Legal Liability - \$100,000.00 – The most the company will pay under Coverage A of the Commercial General Liability policy for damage because of “property damage” to premises rented to you arising out of any one fire.

Medical Payments - \$5,000.00 – Reimbursement on a no-fault basis for medical expenses incurred by non-club members during organized club functions. Excludes: Expenses for bodily injury: 1) to any insured (club member); 2) person hired to do work for or on behalf of the club.

Contractual Liability – Liability that is assumed in a contract or agreement.

Therapeutic Use – Provides protection for participation in the therapeutic use of dogs in nursing homes, hospitals or similar institutions either on an in-patient or out-patient basis.

Training Classes – If the club members are training their own dogs with no outside owners and/or dogs present, training is included in the base premium. However, if there are non-club members present there is a charge per class because there is extra exposure due to 3rd party involvement.

**POLICY DOES NOT PROVIDE COVERAGE FOR THE USE OF LIVE AND/OR POPPER
AMMUNITION! (CONTACT US ABOUT AN ALTERNATE COMPANY)**

POLICY DOES NOT PROVIDE COVERAGE FOR BREED RESCUE AND/OR ADOPTION !!

*****PLEASE REMEMBER***
AS DOG OWNERS WE ARE RESPONSIBLE FOR OUR DOGS
ACTIONS, 24/7**

We sincerely hope that the above information will be helpful to your club.

SPORTSMEN'S INSURANCE AGENCY PLAN, INC.

The following are some facts and explanations of the coverage provided by our Accident Policy.

Why should your club have an Accident Policy?

As you know, with any club activity there is always the chance that a participant may suffer an injury. Perhaps just a cut, scratch or bruise; or possibly something much more serious.

If an accident does occur and your club wants to help pay the medical expenses, could your treasury withstand the financial impact? If a serious accident were to occur, medical expenses could easily far exceed the funds in your treasury!!

The accident policy offered by AIG Domestic Accident & Health Division and Sportsmen's Insurance Agency can help your club with this potential problem. It will add very little to your budget and provide your club with very liberal benefits for each participant.

Who is covered and when are they covered?

All active members of your club and all designated persons volunteering at events sponsored by your club. These events must be organized club functions!

Coverage may be extended to cover all designated persons officiating at your organized club sponsored events, if your club so elects. These officials are covered for injuries sustained while officiating at your organized club events or while traveling to or from the place of such activities and such person's home.

All active members and volunteers must be covered under this policy and be included when determining the policy premium. Coverage for officials is optional. If you should have a questionable situation, please phone our office.

**MAXIMUM BENEFIT FOR ACCIDENTAL DEATH AND DISMEMBERMENT
IS \$10,000.00**

BENEFIT FOR ACCIDENT MEDICAL EXPENSE IS \$100,000.00

COVERAGE IS FOR ONE (1) YEAR

DEDUCTIBLES OFFERED

DEFINITIONS:

Injury: Means bodily injury resulting from an accident which occurs during the policy term and while the Insured Person is engaging in the Covered Activity specified in the Policy Schedule.

Insured Person: Means a member of the eligible group specified in the Policy Schedule and who is engaged in the Covered Activity. All such persons are insured hereunder, by premium paid by the Policyholder on their behalf.

Deductible Amount: Means the total of eligible expense which must be incurred by the Insured Person during the policy term before medical expense benefits are payable under the Policy.

THIS POLICY DOES NOT PROVIDE COVERAGE FOR SICKNESS

Affordability: “Can your club afford to be without it?”

Today, with many people not having health insurance, this could be a way to help members and volunteers pay for medical expenses if they were to have an accident at a club function.

Please refer to the attached application for a choice of plan benefits.

If you have questions regarding the determination of premiums, our office will be more than happy to assist you.

This insurance can be either Primary or Full Excess depending on your club's needs.

Please remember...this insurance is not limited to just shows! It provides protection to your club members, volunteers and officials for all of your organized club functions. Some examples of these functions are: field trials, training classes, show, sled dog races, meetings, agility classes and events, fly-ball activities, therapy visits, breed rescue activities and many, many, more.

FOR THE BENEFIT OF YOUR CLUB MEMBERS, VOLUNTEERS AND OFFICIALS, PLEASE GIVE THE POLICY CONSIDERATION.

SPORTSMEN'S INSURANCE AGENCY PLAN, INC.
PO BOX 799
170 EAST BROADWAY
CAPE VINCENT, NY 13618

WHY IS D & O INSURANCE IMPORTANT?

Even the most stringent risk management policies and procedures do not necessarily provide for adequate protection against liability in legal actions. Various laws grant limited immunity to board members during service. Transferring part of the risk by purchasing insurance is a commendable precaution. But how does each organization determine what measures are enough to meet its needs? Here are some common questions posed by board members concerning liability insurance and appropriate coverage for their nonprofit organizations.

Our board is very focused on responsible governance. Doesn't our proactive attitude protect us?

No insurance is worth much unless proper precautions are in place to begin with. However, it is impossible to anticipate every possible conflict situation. And it is wise to remember that lawsuits can be filed even against the most law-abiding citizens. The cost of defending even the most ridiculous lawsuits can be expensive.

Doesn't our indemnification policy guarantee that all of my expenses will be taken care of if I get sued?

Indemnification means that the organization will rely on its own resources to pay board members' legal costs for claims that result from board service. However, the indemnification policy goes only as far as the organization's resources allow it. If there is no money to pay, there is not adequate protection. Today's legal costs can rise to quite astounding figures and the risk of losing most of the organization's assets is not very comforting. Many states permit indemnification only as provided in the organization's bylaws.

How much can I rely on the federal and state laws?

State laws do not fully protect the individual's nor the organization's assets. Some states laws normally exclude staff and direct-service volunteers and cover only board members. Other state laws only provide protection if the nonprofit has liability insurance applicable to the claim. Also, very little protection can be found from employment-related acts, such as harassment or discrimination, the most often cited basis for lawsuits that name board members and executives.

How does the new Volunteer Protection Act cover me?

The Volunteer Protection Act of 1997 was designed to enhance immunity from personal liability in an effort to encourage volunteerism. The Act takes effect when volunteers are acting within the scope of their organizational duties; they are properly licensed; the harm is not caused by willful or criminal misconduct nor gross negligence; and when operation of vehicles is not involved. It is important to note that the Act does not protect the organization itself, which still may be held liable for the acts of its volunteers. Neither does the Act protect a volunteer from being named as a defendant in a lawsuit.

Isn't general liability insurance enough?

General liability policies cover negligent acts that result in property damage or bodily injury. Harm resulting from executive decision making is not automatically covered.

Why should my organization obtain D & O insurance?

For the most part, D & O insurance does not overlap with your general policy; it is an extension. One important additional benefit concerns employment related claims. A good D & O policy should also provide coverage for employment practices liabilities, such as allegations of intentional acts. Also, this policy typically reimburses the organization for any indemnification expenses it may have suffered and it provides direct payments to those insured when the organization is not reimbursing them. The policy generally covers legal fees regardless whether the lawsuit is frivolous. Without this protection the organization may not be able to afford to defend itself and the board members.

How can we get the best policy for us?

Negotiate. Do not take a standard policy. Each organization has specific requirements that need to be spelled out in the document.

- Pay attention not only to what is included but also what is not mentioned or is excluded in the policy. Some policies may not automatically include volunteers.
- Make sure all those you want to be covered are listed in the policy.
- Check the definition of a covered loss. Are attorneys' fees included as well as fines, penalties, or punitive damages? Some states do not allow insured to cover punitive damages. Most states do not allow coverage of civil fines, especially ones from the IRS.
- Clarify whether defense costs are paid as they are incurred or on a reimbursement basis.
- Discuss the necessity to extend the coverage over past acts; most policies are claims-made and reported (responsibility over claims made and reported in the same year when the acts took place and while coverage was in place.)
- Calculate the needed policy limits and assess your deductibles.
- Deal with an insurer or broker who understands nonprofits.

Where can we purchase D & O insurance?

Sportsmens Insurance Agency Plan, Inc.

PO Box 799

Cape Vincent, NY 13618-0799

Phone: 315-654-2068

Fax: 315-654-3097

www.dogclubinsurance.com

DIRECTORS & OFFICERS LIABILITY

This coverage is often viewed as an unnecessary expense for a non-profit group. Directors feel they have no exposure because there are no shareholders as in a "for Profit" group. Over 50% of D & O suits come from members, employees, or anyone who receives the services of a "non-profit". Many states have passed laws limiting the liability of non-profit volunteers. These laws only provide a certain amount of immunity to volunteers and provide no protection to the group's members, employees or the entity itself. These laws can provide limited immunity in state court but not in a Federal Court. Directors and Officers and even volunteers can be held personally responsible for decisions and actions made on behalf of their group or quite possibly the lack of decisions or actions. The willingness of people to bring suit over almost anything shows a tremendous need for Directors & Officers liability coverage.

Directors & Officers liability is designed for situations where Directors and Officers are held responsible for decisions and actions made on behalf of the club or group. Some examples of allegations are: mismanagement of funds, discrimination, sexual harassment, wrongful acts, conflict of interest, acting in bad faith, slander, libel, defamation of character and gross negligence.

Legal costs of defending against any charge can be overwhelming. The average defense costs for claims are in excess of \$100,000. Premiums for Directors & Officers liability coverage are not inexpensive. Premiums range from \$700 to \$1,000 and contain a retention (deductible) amount.

**Don't Risk the Reputation of Your
Dog Club and Your Personal Assets
In the Event of a Lawsuit...**

**Get Protection Through
The Sportsmen's Insurance Agency Plan, Inc.
Directors and Officers Liability Program**

As a member of the Board of Directors of your dog club, you have the responsibility to uphold professional standards, provide member services and protect the prestige of your club. But with this responsibility comes the risk of a lawsuit. Many non-profit board members and volunteers believe that they have adequate protection under the Non-Profit Corporation Act (commonly known as the volunteer protection laws), but that's only partially true. If your club, the board or volunteers associated with your dog club are sued, as a board member, your personal assets can be at stake.

In recent years, dog clubs have been exposed to lawsuits.

For example, lawsuits have occurred against a Board of Directors due to a suspended membership, while others were based on the club's decision to exclude a dog from a show. And there are many other areas where your club can be exposed to a lawsuit, such as breach of contract, member discrimination, and libel/slander in connection with a club's publication.

As a board member, you make decisions everyday that affect others – unfortunately, no matter how careful you are – you can't always please everyone. That's where the Directors and Officers Liability Program from Sportsmen's Insurance Agency Plan, Inc. can help you. What's key about this program being offered through Sportsmen's Insurance Agency is that, in the event of a covered claim and resulting lawsuit, the Insurer has the right and duty to defend any Claim to which this insurance applies, even if the allegations of the Claim are groundless, false or fraudulent. But that's not all Sportsmen's can offer many additional benefits at a very affordable premium.

For a reasonable annual cost, your club's Board of Directors will be Protected in the event of a lawsuit.

Coverage Includes:

- The club which includes the entity itself in the event it is named in a lawsuit and
- Past, present and future directors, officers, trustees, employees, committee members and volunteers.
- Wrongful acts which is defined as an actual or alleged error, a misstatement or a misleading statement, an act or omission, or breach of duty regardless of whether it was communicated verbally or written. Libel/Slander is also included, but specifically applies to a club's publication.
- Protection for claims brought by members alleging discrimination.

Policy features Include:

- Costs for legal defense in the event of a covered claim.

- Full severability which means if one individual on your board had knowledge of a fact that results in a claim, coverage would not be voided for all parties. Coverage would be voided only for the individual who had prior knowledge of a fact that led to the claim.
- Your club can cancel at any time by written notice to the insurer. Upon cancellation, the insurer shall retain the customary short rate portion of the premium.
- A claim for civil or criminal proceedings (which is coverage for complaints formally filed in court) as well as written demand for monetary damages.

Sportsmen's Insurance Agency Plan, Inc. has been serving non-profit dog clubs nationwide for over 30 years.

We offer you and your dog club a Directors and Officers Liability Program to meet your special needs.

**Don't leave your club and personal assets at risk –
Call 315-654-2068 or fax 315-654-3097 today or e-mail:
www.dogclubinsurance.com**

**Sportsmen's Insurance Agency Plan, Inc.
Po Box 799, 170 E. Broadway Street
Cape Vincent, NY 13618-0799**

This coverage is also available for non-profit animal clubs. Call Sportsmen's for more information.