



SAMPLE MINIMUM INSURANCE SPECIFICATIONS

NOT-FOR-PROFIT ORGANIZATIONS/ COMMUNITY GROUPS

DISCLAIMER:

This document is for informational purposes only. Each organization must evaluate their individual insurance needs through a licensed broker or other qualified person.

I. COMMERCIAL GENERAL LIABILITY INCLUDING

*Limits: \$1,000,000 per occurrence
\$2,000,000 annual aggregate
Occurrence Form*

- Bodily injury
- Property damage
- Personal injury
- Advertising injury
- Medical Payments
- ATHLETIC PARTICIPATION EXCLUSION DELETED (for athletic groups, programs, leagues)

1. Coverage to be considered if these exposures exist as a result of the group's operations:

- Ownership, use or maintenance of property
- Incidental medical malpractice
- Sexual abuse and molestation (for the group, not the individual)
- Consumption or use of food products
- Liquor liability

2. Accident Medical Insurance:

Sport groups should also consider purchasing Accident Medical Insurance that pays the medical bills of an injured participant or staff member as excess coverage after benefits are paid under any other collectible insurance. This coverage is often required in many sports liability insurance programs.

II. DIRECTORS AND OFFICERS LIABILITY

*Limits: \$1,000,000 per occurrence
\$2,000,000 annual aggregate
Claims-made Form*

- Wrongful acts
- Errors and omissions

III. AUTO LIABILITY:

Limits: \$1,000,000 per occurrence

- Any auto (if group owns vehicles)
- Non-owned/hired auto (if group rents or borrows vehicles, or personal autos are used for group activities)

IV. PROPERTY INSURANCE (group owns equipment, buildings, vehicles, fine arts, other property):

*Limits: Property - Replacement value
Vehicles - Actual cash value*

- Replaces damaged, destroyed or stolen property
- For fine arts – scheduled values

V. WORKERS COMPENSATION

If group has employees:

- Statutory
- Employers liability

Limits: Statutory

Limits: \$1,000,000 each accident

VI. EMPLOYMENT PRACTICES LIABILITY

If group has employees

- Harassment
- Discrimination
- Wrongful termination, etc.

Limits: \$1,000,000 per occurrence

VII. LIQUOR LIABILITY

- Host liquor liability (serve liquor)
- Dram shop liability: (sell liquor)

Limits: \$1,000,000 or statutory

OTHER INSURANCE ISSUES TO CONSIDER:

- Ask for the A.M. Best rating of the insurance carrier. The Best Rating is a general reflection of the insurer's financial strength and ultimate ability to pay claims.
- Ask for a "specimen" policy which is a sample of the policy that will be issued.
- Ask exactly what is covered by the policy being purchased. Use examples of the types of activities, programs or operations that the group conducts.
- If there are any doubts, discuss specific examples and ask for written documentation if necessary.
- Ask what exclusions are in the policy.
- Ask the agent or broker to review and explain the list of exclusions in the policy and how they might apply to the activities of the group.
- Check the deductible for each claim that must be paid by the group. Consideration may be needed to set aside money to pay the deductible(s) if a loss occurs.
- Read and understand the claim reporting procedures and timelines in the policy. Coverage may be denied if claims procedures and timelines are not followed.
- If the group is conducting activities on property owned by another party or organization, ask the procedure by which that entity can be included as an additional insured on the policy and if there is any cost to do so.
- Ask if a limit greater than \$1,000,000 is needed for the general liability, coverage based on the scope or nature of your organization. Inquire about the cost of increasing the insurance limits to \$2,000,000, \$5,000,000 as necessary.