

U.S. Rotary Club & District Liability Insurance Program

General Liability

1 July 2016/2017 Policy Term Insurance Summary

The U.S. Rotary Club and District Liability Insurance Program (“Program”) provides general liability insurance coverage to all active U.S. Rotary clubs and districts for their liability arising out of bodily injury and property damage to a third party, subject to policy terms and conditions. Below is an overview of the general liability insurance provided by the Program. **Nothing in this document shall be construed to extend, alter, vary, or waive any of the provisions of the policy. Please refer to the general liability policy on the Insurance Information Portal.**

Note: All Rotarians and club and district volunteers are expected to have their own personal health, auto liability, and property insurance.

INSURANCE QUESTIONS: If you have questions, please contact:

Lockton (Insurance Broker)

Phone: (800) 921-3172

Fax: (312) 681-6769

Email: rotary@lockton.com

INSURANCE ASSESSMENT: Annual assessments are charged to all insured U.S. Rotary clubs through the July Club Invoice. Insurance Assessments fund the \$250,000 self-insured retention and cost of commercial primary and excess insurance premiums. The cost of insurance depends, among other factors, on claim experience. It is important to make safety a priority when conducting all activities and events to prevent or minimize claims.

OBTAINING COVERAGE: Program coverage is automatic for all active U.S. Rotary clubs and districts.

OBTAINING A CERTIFICATE OF INSURANCE: To obtain a certificate of insurance, please visit the forms section of the *Insurance Information Portal*. If you need an Additional Insured endorsement, please email a copy of the contract requiring the Additional Insured endorsement to Lockton (rotary@lockton.com).

LIMITS:

\$ 250,000*	Self-Insured Retention (<i>All claims are paid by U.S. Rotarians through insurance assessments</i>)
\$ 2,000,000	Per occurrence for general liability (primary commercial layer)
\$ 2,000,000	Non-owned and rented auto liability (excess of personal auto liability insurance)
\$ 500,000	Per premises for damage to rented premises
\$ 5,000	Medical expense for third parties – not Rotarians. No coverage is provided if injury sustained while participating in an athletic event such as a bicycle ride or golf tournament
\$ 5,000,000	Per occurrence excess liability

*Effective 1 July 2016 the SIR was reduced from \$500,000 to \$250,000

COVERAGE TERRITORY:

The general liability insurance policy provides coverage for claims that occur in the U.S., its territories and possessions, and Canada. Limited coverage is available for claims that occur worldwide, provided that the claim is brought or lawsuit is filed in the U.S., its territories and possessions, or Canada. For an e-club chartered in the U.S. coverage is provided to those club members living in the U.S.; the policy does not provide coverage for a member whose home is not in the coverage territory.

NAMED INSURED ENTITIES: These active Rotary organizations in the U.S. and its territories and possessions are named insureds under the Program:

- Rotary clubs (including newly chartered Rotary clubs)
- Rotary districts
- Rotary club foundations*
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- Interact clubs
- Rotaract clubs
- Rotary Community Corps
- Certified youth exchange organizations (certified by Rotary International)
- Rotary Youth Leadership Awards (RYLA)
- President-elect training seminar organizations (including multi-district organizations)

Insureds include members, employees, and volunteers of these organizations while acting within the course and scope of their roles for the above organizations.

* The following criteria are considered when confirming a U.S. Rotary club foundation or district foundation is covered as a named insured under the Program:

- Foundation was created by a formal decision of a Rotary club or district;
- All of its principals, officers, and board members are dues-paying Rotary club members, other than honorary members;
- The Rotary club or district that created the foundation should have the sole authority to name or remove foundation board members;
- The foundation is income tax-exempt under section 501(c)(3) of the Internal Revenue Code;
- The foundation operates with the sole purpose of supporting the goals of the Rotary club or district through fundraising and contributions to nonprofit organizations and/or individuals in need.

ENTITIES NOT INSURED: Below are some of the organizations that are not insured under the Program:

- Provisional Rotary clubs,
- Fellowship organizations,
- Rotary Action Groups,
- Inner Wheel organizations,
- Gift of Life organizations,
- Youthact,
- Earlyact or similar organizations,
- Youth exchange organizations not certified by Rotary International,
- Other entities created by Insureds (other than the organizations listed under Named Insured Entities).

However, clubs and districts are covered for their vicarious liability for general liability claims arising from these organizations. Vicarious liability is when there are allegations of liability for the negligent actions of another organization, without direct responsibility for the injury or damage

NOTABLE COVERAGE:

The Program also includes:

- **Liquor Liability** for damages to a third party arising from the selling, serving or furnishing of alcoholic beverages. Coverage is included for a club/district that is selling, serving, or furnishing alcoholic beverages.
- **Non-Owned/Rented Automobile Liability** for the use of hired, leased, borrowed, or non-owned automobiles. This excess coverage is intended for insured entities only and does not extend to individual automobile owners.

If the Rotary club/district owns an automobile, it must be separately insured by the club.

There is no comprehensive or collision coverage for **damage** to any automobile operated by the club/district.

Note: The coverage territory for non-owned/hired automobile liability coverage is limited to only the U.S., its territories and possessions, and Canada.

EVENTS WITH ATTENDANCE EXCEEDING 25,000:

Rotary clubs that organize events exceeding 25,000 attendees over the entire event period are required to:

- Report such events to insurance@rotary.org
- Purchase primary general/special events liability (including liquor liability if applicable) insurance with a minimum limit of \$1 million per occurrence/\$2 million aggregate
- Send Risk Management a copy of the policy or a certificate of insurance evidencing the coverage purchased
- The Program provides excess coverage above this required policy.

INCIDENT REPORTING: Please immediately report all incidents and/or losses to Risk Management. Insurance coverage will be jeopardized if you voluntarily promise insurance coverage, make payments, or assume any financial obligation, other than providing first-aid, without the insurance company’s consent. The Incident Report form is on the *Insurance Information Portal* and can be submitted to Risk Management by email to claims@rotary.org or by fax to (847) 556-2147. An Incident Report is notice of an occurrence/loss that may or may not lead to a compensable claim.

EXCLUSIONS: SOME OF THE NOTABLE EXCLUSIONS LISTED IN THE GENERAL LIABILITY INSURANCE POLICY ARE BELOW.

IF SEPARATE INSURANCE IS NEEDED, PLEASE CONTACT A LOCAL INSURANCE PROFESSIONAL.

Exclusion	Comments
<p>Aircraft or Automobile Liability. Bodily injury or property damage arising from the ownership, maintenance, use or entrustment to others of any owned aircraft or automobile. Use includes loading and unloading. This exclusion also applies to allegations of negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others.</p>	<p>If your club/district owns an automobile or aircraft coverage for the automobile or aircraft must be purchased by the club. Consider obtaining non-owned aviation liability insurance if your club/district organizes an event with an aircraft it does not own.</p>
<p>Athletic Activities. Medical expense payments coverage for bodily injury to a person injured while practicing, instructing, or participating in any physical exercises or games, sports, or athletic contests is not provided, unless there is legal liability resulting from the negligence of your club/district.</p>	<p>Have all participants sign a release.</p>
<p>Criminal Acts or Expected or Intended Injury</p>	
<p>Daycares. Bodily injury or property damage arising from the ongoing operations of a daycare.</p>	
<p>Fireworks (Pyrotechnics). Bodily injury or property</p>	<p>Your Rotary club should not sign the agreement with</p>

<p>damage arising from the transportation, delivery, storage, set-up, detonation, takedown, or clean-up of fireworks by an insured or additional insured is excluded. However, this exclusion does not apply to an insured's vicarious liability arising from the transportation, delivery, storage, set-up, detonation, takedown, or clean-up of fireworks by a third party, provided the third party is not a pyrotechnics company or other company hired by Rotary club to detonate fireworks.</p>	<p>the pyrotechnic firm; it should be entered into and signed by another organization or municipality. The pyrotechnic firm should carry a limit of \$5M and name your club as an additional insured. If your club does sign the agreement with the pyrotechnic firm, your club should purchase a primary stand-alone policy with a limit of \$5M.</p>
<p>Infringement of Copyright, Patent, Trademark or Trade Secret. Personal or advertising injury arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.</p>	<p>Consider purchasing media liability insurance if your club/district has a significant multimedia exposure. If your club hires a media professional to prepare brochures, flyers or a website, require that the media professional carry media liability coverage.</p>
<p>Mobile Equipment. Bodily injury or property damage arising out of (1) transportation of mobile equipment by an auto owned or operated by or rented or loaned to any insured or (2) the use of mobile equipment in, or while in practice for, or while being prepared for, any prearranged racing, speeding, demolition, or stunting activity (go-carts, demolition derbies, coaster races, snowmobile races, monster truck events, lawnmower races, etc.).</p>	
<p>Money or Currency Losses. This includes theft by a Rotarian or others.</p>	<p>Consider purchasing crime insurance (aka fidelity bond, or employee dishonesty bond) if your club/district desires coverage for theft of its funds. Include coverage for your club/district's foundation if applicable.</p>
<p>Privacy or Security Breach. Injury arising from breach of personally identifiable information, protected health information, or payment card information.</p>	<p>Consider purchasing cyber or data protection insurance if your club/district has a significant exposure.</p>
<p>Professional Services. Rendering of or failure to render any professional services. A professional service is one arising out of an occupation involving specialized knowledge, labor, or skill. Examples: doctors, dentists, auditors, accountants, architects, or engineers.</p>	<p>Consider purchasing the appropriate professional liability or errors and omissions liability insurance coverage if your club/district has a professional exposure.</p>
<p>Property. Damage to property of any kind (whether leased, borrowed, or owned) while in the insured's care, custody or control.</p>	<p>Consider obtaining property insurance if your club/district desires insurance for its property.</p>
<p>Rotarian Bodily Injury/Illness. All Rotarians and volunteers are expected to have their own health insurance. The Program provides third party liability, not first-party (Rotarian) health insurance.</p>	<p>Consider purchasing accident coverage or consider purchasing travel insurance for accidental injury or illness for those serving abroad.</p>
<p>Watercraft Liability - Liability from any owned watercraft or the use of non-owned watercraft 51 feet or greater in size.</p>	<p>If your club/district owns a watercraft or operates non-owned watercraft greater than 51 feet, consider purchasing appropriate watercraft liability insurance.</p>
<p>Workers Compensation and Similar Laws. Any obligation</p>	<p>Obtain workers' compensation insurance with</p>

of the insured under workers' compensation, disability benefits, or unemployment compensation laws.	employer's liability coverage if your Club/District is an employer or uses an independent contractor that could be considered an employee by statute. Your Club must comply with statutory regulations.
Youth Exchange Programs. Those not certified by Rotary International.	Only Certified Youth Exchange Programs are included in the named insured.

Note: Please review the insurance policy posted on the *Insurance Information Portal* for more information about the terms and conditions of coverage.

RISK MANAGEMENT

Rotary International
 Attn: Risk Management
 1560 Sherman Avenue
 Evanston, Illinois 60201-3698
Fax: (847) 556-2147
General Email: insurance@rotary.org
Claims Email: claims@rotary.org