

Insurance Summary & Guidelines  
Rotary District 5520  
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This document contains a summary of Liability Insurance coverage offered through Rotary International as of 7-1-2007. Normally, if club officials are negotiating to conduct some type of activity and a Certificate of Insurance is needed, they can e-mail me and I'll get the Certificate from R/I. As a rule, I need the following information:

Club #

Contact Info for Club Rep (including name, address, phone & FAX)

Contact Info for the party requiring a Certificate of Ins (name, address, phone & FAX)

Date of the Event

Location of the Event

Description of the Event

# attendees

Rotary DOES have limitations on the types of events you can sponsor (and expect to have coverage under our policy). Obviously risky activities are subject to review before coverage can be extended. Some cannot be done. Call me if you have questions.

Chuck Brown

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It normally takes a couple of days to get Certificates...but the further in advance you make the request, the better...I travel a fair amount and am not always immediately available to get the Certificates.

The info below is found at the Rotary International Website. I've pasted a copy of the location of this in this document:

<http://www.rotary.org/en/Members/GeneralInformation/Insurance/Pages/ridefault.aspx>

The Website allows clubs to print their own Evidences of Insurance and/or Certificates of Insurance. I WOULD NOT RECOMMEND YOU DO THAT. The system may allow you to provide a Certificate of Insurance for an event that is not allowed under Rotary rules. The best route at this time to go through me, the District Ins Chair, and let me clear the activity before issuing a Certificate of Insurance.

## **U.S. Club and District General Liability Insurance program**

Did you know that active U.S. clubs and districts are automatically provided with general liability insurance through the U.S. Club and District General Liability Insurance program? The premium is collected annually on 1 July through the semiannual report assessment.

The program provides coverage for active U.S. clubs and districts (including Rotarians and volunteers in their roles as such for the club or district) for their liability arising out of bodily injury to a third party (a person who is not an insured under this program) or damage to a third party's property (subject to policy terms and conditions).

Learn more about the program:

- [Certificate of insurance](#) – Have you been asked to provide evidence or proof of insurance? Do you know what a certificate of insurance is? Did you know that you can create your own certificate of insurance?
- [Coverage details](#) – Who is insured? What coverage is provided?
- [Contracts, permits, and waivers](#) – Do you need guidance on a contract or agreement you're being asked to sign?
- [Loss-control guidelines](#) for events – Do you have an event coming up and need loss-control guidance?
- [Claim and incident reporting](#) – Has an accident occurred? Do you know that you must report it immediately to Rotary International?
- [Frequently asked questions](#)

**If you have further questions regarding coverage, please contact Lockton Companies:**

Phone: 800-921-3172

Fax: 312-681-6769

E-mail: [rotary@lockton.com](mailto:rotary@lockton.com)

COPIES OF THE DOCUMENTS REFERENCED IN THIS SUMMARY HAVE BEEN COPIED ONTO THE FOLLOWING PAGES FOR YOUR REFERENCE

## Certificate of insurance

Third parties may request a [certificate of insurance](#) (PDF) as evidence of your U.S. club or district's commercial general liability insurance. A certificate of insurance is a document that details the type of insurance coverage, the insurance companies providing the coverage, and the dates and limits of coverage for your club or district. For additional information, please see the certificate of [insurance information sheet](#) (PDF) and [instructions](#) (PDF).

Your U.S. club or district may be asked to name another organization as having additional insured status on your general liability insurance policy. Additional insured status can only be provided if this requirement is stated in a written contract or permit.

If you are unable to create a certificate of insurance on your own, or if additional requirements are needed on the certificate, please complete the [request form](#).

If you have questions about certificates of insurance, Lockton Companies can be contacted from 8:30 a.m. to 4:30 p.m. Central Standard Time, Monday through Friday at:

Phone: 800-921-3172

Fax: 312-681-6769

E-mail: [rotary@lockton.com](mailto:rotary@lockton.com)

## **Who is insured**

Below are organizations that are insured through this policy:

- The following active organizations in the United States, its territories, and possessions:
  - Rotary clubs
  - Rotary e-clubs
  - Rotary districts
  - Interact clubs
  - Rotaract clubs
  - Rotary Community Corps
  - Club and district youth exchange organizations (including multidistrict or multiclub organizations)
  - Group Study Exchange
  - Rotary Youth Leadership Awards (RYLA) activities
  - Club and district foundations

The above includes members, their families, employees, and volunteers of these organizations while acting within the scope of their roles for the above organizations.

## **Who is not insured**

Below are some organizations that are not insured through this policy:

- Provisional Rotary organizations (However, newly chartered Rotary clubs are provided with automatic coverage.)
- Fellowship organizations and Rotarian Action Groups
- Inner Wheel organizations
- Gift of Life organizations
- Youthact, Earlyact, or similar organizations

However, clubs and districts are covered for their vicarious liability for general liability claims arising from these organizations. Vicarious liability occurs when your club is liable for the negligent actions of another organization, although your club was not directly responsible for the injury or damage.

## Coverage summary

The program provides coverage for legal liability to a third party (someone who is neither the insured nor the insurer) for the following losses:

- Bodily injury: Sickness or disease, sustained by a third party, including death
- Property damage: Physical injury to tangible property of a third party
- Advertising injury and personal injury: Injury to a third party that arises out of one or more of the following:
  - False arrest, detention, or imprisonment
  - Malicious prosecution
  - Wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises
  - Written or oral publication of material that libels or slanders a person or organization
  - Written or oral publication of material that violates a person's right of privacy
  - Misappropriation of advertising ideas or style of doing business
  - Infringement of copyright, title, or slogan.

The program also provides coverage for liability arising out of the following hazards:

- Liquor liability: Liability for damages to a third party arising from the occasional sale or service of alcoholic beverages
- Fire damage legal liability coverage: Coverage for an insured's liability due to fire damage to premises rented to the insured
- Non-owned and hired automobile liability: This coverage insures bodily injury or property damage to a third party that arises out of the use of an auto that is non-owned, hired, leased, or borrowed by an insured. This coverage provides liability insurance only and does not cover physical damage to the non-owned, hired, leased, or borrowed auto. Additionally, this coverage is in excess to any insurance coverage that may already be in place on the non-owned, hired, leased, or borrowed auto. For example, if your club borrows a vehicle, the insurance coverage already in place on the borrowed vehicle is the first layer of coverage.

Coverage through this provision only applies in the United States, its territories and possessions, and Canada. No coverage is available for travel in Mexico. It is recommended that you secure a liability policy through a Mexican insurer before traveling or immediately upon crossing the border. Without such coverage, the driver of a vehicle will be jailed in the event of an accident.

## Key exclusions

### Directors and officers liability coverage

- Health, medical, accident, travel medical, or travel accident coverage for any insured (This policy protects your organization from its legal liability to third parties and is not a substitute for personal medical coverage of your organization's members.)
- Damage to property of any kind (whether leased, borrowed, or owned) while in the insured's care, custody, or control
- Ownership, maintenance, use, or entrustment to others of any owned aircraft, auto, or watercraft
- Liability for the use of non-owned or hired autos while traveling in Mexico (Non-owned and hired auto liability is valid only in the United States, its territories and possessions, and Canada.)
- Non-owned watercraft 51 feet or greater
- Golf carts that are licensed for over-the-road use
- Prearranged racing, speed, demolition, or stunting activities (go-carts, demolition derbies, coaster races, auto races, snowmobile races, monster truck events, lawnmower races, etc.)
- Pyrotechnic (fireworks) display set up, detonation, take down, and cleanup (However, the sponsorship of such is covered. Sponsorship denotes that a third-party will set up the display, perform the detonation of the pyrotechnics, take down the display, and survey the area for debris or unexploded pyrotechnics.)
- Money or currency losses, including theft
- Crime coverage, a.k.a. fidelity bond, employee dishonesty bond (A separate insurance policy is necessary for this coverage.)
- Employer's liability, workers' compensation, and similar coverage
- Professional liability coverage (Coverage for rendering professional services, such as medical services, while employed by, sponsored by, or donating services to the named insured. These individuals' professional liability insurance would apply.)
- Participant legal liability coverage and spectators' liability coverage for sporting events
- Pollution (except for hostile fire)
- Membership discrimination
- Punitive damages
- Expected or intended injury (However, the use of reasonable force to protect persons or property is covered.)

Please note that this is not an exhaustive list of exclusions. For more information on exclusions, contact RI Risk Management.

## Covered activities

Alcohol sale or service at local fairs and festivals, such as participation in or the sponsorship of wine-tasting festivals (Please note that the program is designed to cover claims arising out of the occasional sale or serving of alcohol. Coverage is not intended to cover the sale or serving of alcohol at recurring events, such as a beer booth every weekend during a Little League season. The sale or serving of alcohol at recurring events should be covered by a separate liquor liability policy.)

- Food preparation, service, or sponsorship at local fairs and festivals, pancake breakfasts, barbecues, etc.
- Athletic event sponsorship, such as 5K races, bike races, or triathlons (However, participants' legal liability and spectators' liability for these events are not covered.)
- Sports team event sponsorship, such as soccer, football, and softball games (Though coverage is not available for the actual team's sports activities, coverage is available for activities apart from those directly related to an athletic activity, such as operating a concession stand. Participants' legal liability and spectators' liability for these events are not covered.)
- Rodeo sponsorship (However, active participation in or performance by an insured is not covered.)
- Golf tournaments and use of golf carts, unless licensed for over-the-road use
- Fishing tournaments
- Rubber duck races and dragon-boat races
- Auctions, including silent auctions
- Parade activities (Please see the [loss-control guidelines](#).)
- Wrapped fireworks sale, storage, and transportation (Wrapped conveys unopened pyrotechnics that are secured through a distributor or manufacturer.)
- Fireworks display sponsorship (Sponsorship denotes that a third party will set up the display, perform the detonation of the pyrotechnic, take down the display, and survey the area for debris or unexploded pyrotechnics.)
- Air show sponsorship (Coverage is not available for Rotarian-owned, leased, hired, or borrowed aircraft or the use of such. Coverage applies to activities such as operating concession stands at the show but does not cover accidents arising from the operation, maintenance, or use of any aircraft.)
- Parking cars on or next to property your club or district owns or rents (Parking cars elsewhere is not covered. Please review the [loss-control guidelines](#) for further information.)
- Non-owned or borrowed trailers (for food or beverage distribution) while standing alone (disconnected from a vehicle) (When an auto or truck pulls the trailer, the vehicle's insurance responds. Rotary's program covers liability only; property damage to a trailer must be insured through a property or inland marine policy.)
- Minor construction activities, such as erecting a playground or renovating a home
- Adopt-a-road activities
- Arts and craft fairs
- Club meetings

## **Insurance limits**

US\$500,000 Self-insured retention (The self-insured retention is financed by Rotary International through its captive insurance company, PPH National Insurance Co. Clubs and districts are not responsible for this retention.)

US\$ 1,000,000 Per occurrence

US\$5,000,000 Excess liability insurance

## **Coverage territory**

Coverage is provided for claims that occur worldwide as long as the claim is brought (or suit is filed) in the United States, its territories and possessions, or Canada.

The coverage territory for non-owned or hired automobile coverage is limited to the United States, its territories and possessions, and Canada.

## **Multinational districts**

Coverage is provided for multinational districts, but coverage is not provided to clubs within those districts that are not located in the United States or its territories and possessions. Coverage for a multinational district is available for the district if a loss arises from a U.S. club function or a districtwide function. Coverage will not be available if the loss arises from a non-U.S. club function. It is recommended that multinational districts secure adequate insurance to cover losses arising from the operations and activities of their non-U.S. clubs.

## **Harassment and abuse claims**

The policy does not specifically include nor exclude coverage for sexual harassment or abuse claims. However, the policy does exclude coverage for criminal and intentional acts. Therefore, coverage for harassment and abuse claims may or may not be available depending on the wording of a claimant's allegations.

## How do I join the program?

Coverage is automatic for active clubs and districts in the United States and its territories and possessions. No application is necessary.

### 2007-08 annual assessments

Assessments are allocated annually to all covered U.S. clubs through the 1 July semiannual report. The 2007-08 rates per member are as follows:

AL, CA, CO, MA, NJ, NY, PA, RI, WA	US\$3.45/active dues-paying Rotarian
CT, FL, ID, IN, NC, OH, OR, TX	US\$3.08/active dues-paying Rotarian
All other U.S. states	US\$2.71/active dues-paying Rotarian
U.S. territories and possessions	US\$1.27/active dues-paying Rotarian

Assessment rates are based on claims loss history and exposure by state. The rate structure's methodology is subject to and approved by annual actuarial review.

Because past claims directly affect your assessment rate, it is in your best interest to make safety a priority when conducting your activities. Suggestions regarding safety practices are provided in the [loss-control guidelines](#).

### Definitions

- An insured (a.k.a. a named insured) is an entity or any of its members specifically designated as an insured in an insurance policy. An insured is also one who, although unnamed, falls within the policy definition of an insured. For more details on who is an insured, please see [Who Is Insured](#).
- An additional insured is a person or organization not automatically included as an insured under an insurance policy, but for whom limited insured status is arranged. Additional insured status does not extend full general liability insurance coverage to the other entities, but rather provides limited coverage for that entity in the event that a claim arises from your club's acts or omissions. An additional insured is not covered for its own acts or omissions. To protect itself from such claims, the additional insured would have to secure its own general liability policy. Additional insured status will be provided only if this requirement is stated in a written contract, agreement, or permit.

## Contracts, permits, and waivers

**B**efore you sign a contract, make sure you understand the terms and conditions of the agreement, as well as your club's or district's obligations. All contracts should be reviewed by local legal counsel.

Indemnification and hold harmless agreements, waivers, and other liability shields are risk-management tools that can be used to reduce the severity of a claim or lawsuit brought against your club or district.

Before you sign a permit or enter into a contract, please read these [guidelines](#) and make sure to

- Know what you are signing
- Know what you are promising and what is being promised to you
- Ask, not assume
- Know what risks you are assuming in the contract

Though it's common for clubs and districts to conduct business through handshakes or verbal agreements, Rotary strongly recommends written and signed documentation in the form of an agreement, permit, or contract.

Do not regard the information found on this site as a substitute for the advice of legal counsel. Please consult experienced local legal counsel to assist you with your club or district's particular circumstances

## Loss-control guidelines

Loss control. Loss prevention. Risk control. Risk management. These terms are interchangeable in describing ways to prevent harm to others and protect your club's or district's assets, including its people, property, income, and reputation.

You should take all the necessary steps and precautions to prevent others from getting injured or property from being damaged as a result of a Rotary club or district event.

When planning projects and events, your club or district needs to consider what can go wrong and how it should respond if something does go wrong.

To help prepare for a project or event, please read:

- [Loss-Control Guidelines](#) for information involving youth-based activities, construction projects, food preparation, sponsorship of events, serving of alcohol, driving and parking vehicles, parades, fireworks, and much more.
- [Managing Special-Event Risks](#) for 10 steps that will help your club or district plan, prepare for, and carry out a safe event.
- [Claim Reporting Guidelines](#) for information about what to do when there's an insurance claim filed or an incident that may lead to an insurance

## **Claim and incident reporting**

If you become aware of an incident or situation that may give rise to a claim, you must report it to the Rotary International Risk Management Department. Such situations include:

- Receiving notice of injury or property damage
- Receiving a legal notice
- Learning of a mishap during a project or event

To report a claim or incident, please follow the steps outlined in the reporting guidelines [[http://www.rotary.org/newsroom/downloadcenter/pdfs/gli\\_claim\\_reporting.pdf](http://www.rotary.org/newsroom/downloadcenter/pdfs/gli_claim_reporting.pdf)], and complete the report form [[http://www.rotary.org/newsroom/downloadcenter/pdfs/gli\\_claim\\_form.pdf](http://www.rotary.org/newsroom/downloadcenter/pdfs/gli_claim_form.pdf)].

Send the report form to RI's Risk Management claims analyst at:

Phone: 847-866-3043

Fax: 847-556-2147

E-mail: [insurance@rotary.org](mailto:insurance@rotary.org)

## Frequently asked questions

- [Insurance coverage](#)
- [Certificate of insurance](#)

### Insurance coverage

**How do I apply for insurance coverage for an upcoming club event?** Coverage is automatic for active clubs and districts in the United States and its territories and possessions. No application is necessary.

**Does the program provide directors and officers liability insurance coverage?** The program does not provide this type of coverage. However, listed below are two insurance agencies that we understand offer directors and officers liability insurance for U.S. Rotary clubs and districts. This information does not constitute an endorsement of any of the agencies or their products. It is recommended that you contact your local insurance agent as well.

- Wieben Insurance Services, Simi Valley, California  
Barbara Stubbs  
[barbara@wiebeninsurance.com](mailto:barbara@wiebeninsurance.com) or [doug@wiebeninsurance.com](mailto:doug@wiebeninsurance.com)  
Phone: 805-584-0522  
Fax: 805-584-0284
- Huggins Insurance Agency, Salem, Oregon  
Dawn Bostwick  
Phone: 800-285-8543  
Fax: 503-399-4658  
[dawn@huggins.com](mailto:dawn@huggins.com)  
[www.huggins.com/rotary](http://www.huggins.com/rotary)

**NOTE: DISTRICT 5520 CARRIES THEIR DIRECTORS & OFFICERS INSURANCE COVERAGES THROUGH HUGGINS INSURANCE – SALEM, OREGON. YOUR DISTRICT ASSESSMENT FOR THIS HELPS PAY THE ANNUAL PREMIUMS**

**What happens if a Rotarian or volunteer worker gets injured on a club or district project? Will the program provide coverage for their medical expenses?** The program protects your organization from its legal liability to third parties and is not a substitute for personal medical coverage of your organization's members. The individual Rotarian or volunteer's health insurance plan should respond.

**Our club is participating in an event where alcoholic beverages will be served and sold. Is liquor liability coverage provided under the program?** Yes, liquor liability coverage is provided for damage to a third party arising from the occasional selling, servicing, or furnishing of alcoholic beverages.

**My club is donating a firetruck to a charity in Mexico and will be driving it there. Will the non-owned and hired automobile liability provide coverage for this project?** No, coverage is not available for travel in Mexico. It is recommended that you secure a liability policy through a Mexican insurer before traveling or immediately upon crossing the border. Without such coverage, the driver of the vehicle could be jailed.

**Is there liability coverage under the program for the operation of vehicles, including buses and trailers, hired by, rented by, or loaned to my club?** Yes, but the owner's automobile insurance is primary, and the coverage provided under the program would provide excess coverage. Comprehensive and collision coverage is not provided by the program.

**Will the program provide coverage for a fundraiser in which Rotarians offer valet parking service for a spring festival?** Limited coverage is provided for the parking of cars on or next to property your club or district owns or rents. However, the program does not provide coverage for damage to property in the care, custody, and control of the club. If a car driven by a Rotarian is somehow damaged, the cost to repair the damage is not provided under the program.

**Our club or district is going to rent equipment for an event. Should we purchase the optional insurance to cover property damage to the equipment, or are we covered under the general liability program?** I noticed that spectators' liability and participant legal liability are key exclusions of the program. Does that mean there is no coverage for an injured spectator or participant of a club sporting event? Coverage is only provided if there is legal liability resulting from the negligence of your club or district. If the spectator or participant injures someone and is held legally liable, coverage is excluded.

**Does the program provide coverage for set up, detonation, or cleanup of fireworks?** No, the program does not provide this coverage. These activities should be handled by licensed pyrotechnic professionals who have their own appropriate insurance coverage. If your club or district is planning a fireworks event in which your club or organization is setting up, detonating, or cleaning up fireworks, it is strongly recommended that your organization secure a special-event policy. Please contact your local insurance agent or broker for more information.

**Our club is thinking about leasing park or school district property to construct improvements over the course of many years. What is covered by the program?**

Only general liability insurance is provided. Coverage is available when a third party is injured, arising from your club's legal liability. There is no coverage for the property itself, and there is no coverage for Rotarians, volunteers, or contractors who are injured while doing the construction work. It is recommended that you contact an insurance agent to see whether to purchase a worker's compensation policy. Or, have volunteers sign waivers. If using an outside contractor, have a written contract that is legally reviewed in place, along with appropriate insurance and indemnification provisions. After completing construction, if your club will not be actively maintaining the property, we recommend that your club terminate the lease so the city's park or school district personnel are responsible for all maintenance and any associated liability.

**Certificate of insurance**

**How do I get a certificate of insurance?** Certificates of insurance can be created right from your desktop. Refer to the [certificate of insurance instructions](#). If further assistance is needed, contact Lockton Companies at 800-921-3172.

What happens when a party with whom we contract refuses to accept our certificate of insurance and requests a special form, copy of our policy, or other type of endorsement? The general liability insurance provided to U.S. clubs and districts is broad in scope. In most cases, it will be acceptable to contracting parties, municipalities, and other organizations. However, if the certificate of insurance does not satisfy the other party, please contact our insurance broker, Lockton Companies, for assistance. Please remember that modifications to the standard certificate of insurance are not permitted by the insurer.

A vendor wants to participate in an event our club is organizing. What should we do to protect our club from liability? Have a written contract in place that includes indemnification or hold harmless language, and require that vendor to name your club or district as an additional insured on its general liability policy so your club or district is not held responsible for the acts of that vendor. Additional insured status should always be requested from vendors when you do not have full control over that vendor. To ensure additional insured status is provided, request that the vendor provide your club with a certificate of insurance with the additional insured language. Always have your contracts reviewed by local legal counsel.

When should additional insured status be provided? Additional insured status is only provided to another entity when required by a written agreement, such as a contract or permit.