

FREQUENTLY ASKED ACCIDENT AND LIABILITY INSURANCE QUESTIONS

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GENERAL QUESTIONS

WHO IS COVERED?

1. The policies cover all registered players, coaches, and assistant coaches of participating youth soccer teams IF: 1) their name is listed on a soccer roster; 2) they have paid an insurance premium; and 3) their name is on file with the State office, 4) they have valid Risk Management Acceptance if applicable

WHAT ACTIVITIES ARE COVERED?

The accident and liability policies provide coverage to insured persons while participating in the following covered activities:

1. Scheduled games, team practice sessions or sponsored activities provided they are under the direct supervision of a team official; or sanctioned local or national tournaments as a member of a contestant team.
2. Group Travel directly to or from such scheduled practices, games or sponsored activities is covered under the accident policy. The liability policy provides non-ownership liability only while an automobile is being used in the official business of the State covered.

No liability coverage is provided to parents, coaches or volunteers while using any automobile in the transportation of athletic participants to and from athletic games or athletic events including, but not limited to practices, exhibits, scheduled events or any non-athletic event.

LIABILITY QUESTIONS

WHO IS COVERED?

1. Liability for Bodily Injury and Property Damage to spectators and participants arising out of all scheduled, sanctioned and sponsored activities while acting on behalf of Washington State Youth Soccer Association.
2. Liability for Personal or Advertising Injury, including false arrest, detention or malicious prosecution, libel, slander, and defamation or violation of right to privacy.

HOW ARE FIELD OWNERS COVERED?

They are covered by the contract you sign with the facilities. Please remember that it's in the best interest of your league/ to have a staff attorney review the contract. 24/7 coverage applies when a club owns it's fields or when a club leases a playing field and is responsible for what happens 24/7 under the terms of a lease agreement. 24/7 coverage does not apply when the owned or leased premises are being leased or subleased to others.

IS THERE A COST FOR ADDING A FACILITY OR A FIELD OWNER AS AN ADDITIONAL INSURED?

No. The service is free of charge.

ARE FUND RAISERS COVERED BY THE TEAM LIABILITY INSURANCE?

Yes. Fund raising activities, award dinners and team meetings are covered. Fundraisers must be usual, non-hazardous and incidental, such as bake sales, raffles and car washes. Activities such as carnivals, fireworks or bungee jumping would not be covered. **There is no liability coverage for the serving or alcoholic beverages.**

ARE OPPOSING TEAMS COVERED UNDER OUR TEAM INSURANCE?

No. Your Team is covered if the opposing team sues you for injury to one of their players. But your Team Insurance does not cover the opposing team or their activities.

WILL LIABILITY INSURANCE COVER CONCESSION STANDS?

Yes. The policy covers liability arising out of the operation of concession stands if the concession stand is operated by an insured for an activity sanctioned by WSYSA. Note: there is no coverage for the sale, distribution or consumption of alcoholic beverages or for Workers' Compensation claims.

WHEN SHOULD WE REQUEST TO BE NAMED AS ADDITIONAL INSURED?

When you hire someone to perform duties on behalf of your organization i.e., tent set-up, maintenance, etc. it's always best to ask the respective party to name your team/league/association as additional insured under their policy. By having this done you have transferred, in the event of a claim, liability to their insurance company and away from WSYSA policy.

ACCIDENT QUESTIONS

WHAT IS “EXCESS ACCIDENT INSURANCE?”

Excess Accident Insurance provides accidental medical coverage to injured players over and above any other health insurance or any health plan carried by that player. Thus, once the primary insurance has paid out its full benefits, the State Accident Insurance Plan covers the unpaid medical bills, including the deductible and any co-insurance amount, up to the state policy limits. If the primary policy pays at least \$100 of the charges for a covered claim, the deductible is waived under the WSYSA policy and any balance due is considered for payment. If the injured player has no other coverage, the State Insurance plan will pay benefits on a primary basis less the state policy deductible (\$100).

ARE WE COVERED WHILE PLAYING IN ANOTHER STATE OR COUNTRY?

Yes. The accident policy is “worldwide” coverage.

ARE WE COVERED WHILE TRANSPORTING PLAYERS TO A GAME?

The Excess Accident Medical Policy does provide coverage to covered persons on their way to and from scheduled games, practices or sponsored activities providing it is organized, group travel under the direct supervision of a team official.

No Liability coverage is provided to parents, coaches or volunteers while using any automobile to transport team members or volunteers to any practice, game or activity.

HOW DO I FILE AN ACCIDENT CLAIM?

1. Complete **ALL** questions on the Youth Soccer Accident Claim Form.
2. Have the coach or another local official that witnessed the accident sign **SECTION III (COACH OR LOCAL OFFICIAL VERIFICATION.)**
3. Sign the claim form in **SECTION VI (STATEMENT OF CERTIFICATION/AUTHORIZATION TO RELEASE INFORMATION.)**
4. File this new report of claim within 30 days of the date of accident or as soon thereafter as is reasonably possible.
5. If you have other insurance, submit your itemized bills to the other carrier first. You will receive a payment Explanation of Benefit worksheet (EOB) from your other carrier. Do **NOT** wait until your other carrier has processed all your bills before filing a Youth Soccer Accident Claim Form.
6. You may attach itemized bills and your other carrier's EOBs that are ready at the time of submitting this Claim Form.

7. Send Claim Form to Washington State Youth Soccer Association for verification and signature at the following address:

Washington State Youth Soccer Association
Attention: Mary Warren
500 S. 336th Street, Suite 100
Federal Way, Washington 98003

Mary@wsysa.com or (253)-4SOCCER

8. Upon receipt of the claim form from Washington State Youth Soccer Association Pullen Insurance will forward an acknowledgement form advising you of receipt of your claim. All future correspondence concerning your claim should be directed to K&K at the address and phone number listed on your acknowledgement for the processing of your claim.

GLOSSARY OF INSURANCE TERMS

Accident	An unplanned event, unexpected and undesigned, which occurs suddenly and at a definite place.
Additional Insured	A person other than the named insured who is protected under the terms of the contract. Usually, additional insureds are added by endorsement or referred to in the wording of the definition of "insured" in the policy itself.
Advertising Injury	Injury arising out of libel or slander, violation of the right to privacy, misappropriation of advertising ideas, or infringement of copyright, title or slogan committed in the goods, products, or services. Contrast with Personal Injury .
Aggregate Limit	Usually refers to liability insurance and indicates the amount of coverage that the insured has under the contract for a specific period of time, usually the contract period, no matter how many separate accidents may occur.
Bodily Injury Liability (BI)	A legal liability that may arise as a result of the injury or death of another person.
Certificate of Insurance	A form which verifies that a policy has been written and states the coverage in general, often used as proof of insurance in loan transactions and for other legal requirements.
Covered Loss	Illness, injury, death, property loss, legal liability, or any other situation or loss for which an insurance company will pay benefits under a policy when such event occurs.
Covered Persons	An insured person under a contract of insurance.
Directors and Officers Liability Insurance	Insurance that protects directors and officers from liability claims arising out of alleged errors in judgment, breaches of duty, and wrongful acts related to their organizational activities.
Excess Insurance	Coverage designed to be in excess over one or more primary coverages, and which does not pay a loss until the loss amount exceeds a certain sum. Contrast with Primary Coverage .
Fire Legal Liability	An insurance policy, which protects the insured against liability, incurred when the insured's negligent actions result in the destruction of property, which is in the insured's care, custody or control.
"First" Named Insured	The first named insured appearing on a commercial policy. The latest forms permit the insurer to satisfy contractual duties by giving notice to the "first" named insured rather than requiring notice to all named insureds.

General Aggregate Limit	A Commercial General Liability limit that applies to all damages paid for bodily injury, property damage, personal injury, and medical expenses, except damages included in the products-completed operations hazard.
General Liability Insurance	A form of insurance designed to protect owners and operators of businesses from a wide variety of liability exposures. These exposures could include liability arising out of accidents resulting from the premises or the operations of an insured, products sold by the insured, operations completed by the insured, and contractual liability.
Hired Automobile	Autos the insured leases, hires, rents, or borrows, but not autos owned by employees or members of their households.
Insured	The parties to an insurance arrangement whom the insurer agrees to indemnify for losses, provide benefits for, or render services to. This term is preferred to such terms as policyholder, policyowner, and assured. See also Named Insured .
Insurer	The party to an insurance arrangement who undertakes to indemnify for losses, provide pecuniary benefits, or render services. It is desirable to use the word "insurer" in preference to "carrier" or "company" since it is a functional word applicable without ambiguity to all types of individuals or organizations performing the insurance function. The word insurer is generally used in statutory law.
Liability Limits	The maximum amount for which a liability insurance company provides protection in a particular policy.
Medical Payments Insurance	Form coverage, optional in automobile and other public liability policies, that provides for the payment of medical and similar expenses without regard for liability.
Named Insured	Any person, firm, or corporation, or any member thereof, specifically designated by name as the insured(s) in a policy. Others may be protected as insureds even though their names do not appear on the policy. A common application of this latter principle is in automobile policies where, under the definition of insured, protection is extended to cover other drivers using the car with the permissions of the named insured.
Negligence	Failure to use that degree of care, which an ordinary person of reasonable prudence would use under the given or similar circumstances. A person may be negligent by acts of omission or commission or both.
Nonowned Auto	Any autos not owned, leased, hired, or borrowed which are used in connection with the business.
Occurrence	An event that results in an insured loss. In some lines of

insurance, such as liability, it is distinguished from accident in that the loss does not have to be sudden and fortuitous and can result from continuous or repeated exposure which results in bodily injury or property damage neither expected nor intended by the insured.

Officers and Directors Liability Insurance

An event that results in an insured loss. In some lines of insurance, such as liability, it is distinguished from accident in that the loss does not have to be sudden and fortuitous and can result from continuous or repeated exposure, which results in bodily injury or property damage neither expected nor intended by the insured.

Personal Injury

Injury other than bodily injury arising out of false arrest or detention, malicious prosecution, wrongful entry or eviction, libel or slander, or violation of a person's right to privacy committed other than in the course of advertising, publishing, broadcasting or telecasting. Contrast with **Advertising Injury**.

Physical Damage

A generic term indicating actual damage to property.

Primary Coverage

Insurance coverage, which covers from the first dollar, perhaps after a deductible, as distinguished from excess coverage, which pays only after some primary coverage, has been exhausted. Contrast with **Excess Insurance**.

Property Damage Liability Insurance

Protection against liability for damage to the property of another, including loss of the use of the property, and distinguished from liability for bodily injury to another. In the majority of cases it is written along with Bodily Injury liability protection.

Umbrella Liability Policy

A coverage basically affording high limit coverage in excess of the limits of the primary policies as well as additional liability coverages. These additional coverages are usually subject to a substantial self-insured retention. The term "umbrella" is derived from the fact that it is a separate policy over and above any other basic liability policies the insured may have.

* Per "**Glossary of Insurance Terms**"
Merritt Publishing, 6th Edition

DIRECTORS AND OFFICERS

DIRECTORS AND OFFICERS INSURANCE

Some often asked questions regarding D&O Insurance:

- Should a nonprofit organization carry Directors & Officers Insurance?
- Are lawsuits against Boards a serious problem?
- Do volunteers' protection laws eliminate the need for D&O insurance?
- What does a D&O policy cover?
- What are the common D&O policy exclusions?
- Defense costs – covered or not?
- What if board members have their own insurance?

Should a nonprofit organization carry directors and officers insurance?

Few liability insurance questions arise more frequently or are harder to answer than whether to buy D&O insurance. The general lack of clear answers results in many D&O purchasing decisions being based on misunderstandings about board liability and the scope of D&O policies. To provide a better basis for decision-making, this article draws upon the knowledge and expertise of insurance experts, lawyers, board members, and nonprofit organization managers.

Because circumstances vary so much across the country, this article cannot provide universal recommendations. Instead, it supplies some tools for each board to use in making its own decisions.

Following common practice, this article uses the term “D&O insurance” to refer to a category of insurance policies that protect board members from certain types of suits. Other policy features, including coverage for the organization itself and coverage for D&O claims against individuals other than directors and officers vary. As article explains, the differences among these coverage may be critical to deciding whether to buy D&O insurance.

As useful as this article may be, it cannot substitute for the assistance of legal and insurance professionals who specialize in this field.

Some facts about D&O suits against nonprofit are apparent.

- Claims are less frequent than for general liability.
- Unless they engage in serious misconduct or self-dealing, extremely few volunteer directors have been personally liable.
- Defense costs, even in successfully defended cases, tend to be very high.
- The suits are usually brought against the organization itself, regardless of whether individual board members are named.
- The majority of claims (although not necessarily the most costly ones) arise out of the employment process:
 - Discrimination
 - Wrongful termination
 - Harassment

In assessing the likelihood of a claim, the essential starting point is the legal basis for suits that D&O policies cover. One advantage of incorporating a nonprofit organization is to protect board members from personal liability for harm caused by other people acting on the organization's behalf. Individual liability results only from a board member's own actions or failures to act in

accord with his or her board duties. In those instances, the errant board member as well as the organization may be held liable.

Every primer on board responsibilities emphasizes principle legal duties of board service: care, loyalty, and obedience (which is sometimes included as part of the duty of care). Failure to satisfy these duties can lead to a lawsuit if the error causes harm and an injured person is able to sue.

What does a D&O policy cover?

Directors and officers insurance policies are designed for a variety of claims alleging harm attributable to the governance or management of an organization. Unfortunately, D&O policies are not standardized and tend to be complex. The discussion here highlights the principal features.

One universal characteristic of traditional D&O policies is that they do not list specific types of claims covered. Instead they extend coverage for any “wrongful act,” which is very broadly defined. The scope of that coverage is then narrowed by a list of limitations and exclusions.

What if board members have their own insurance?

Few liability insurance policies that individuals purchase primarily for other purposes will protect them against a D&O claim. At one time many homeowners’ policies and personal umbrella policies included such coverage. Now, the protection is rarely available and, if so, usually costs extra. Far more people believe that because their personal liability insurance policies do not list “board service” among the exclusions, they have adequate protection. The flaw in this reasoning has to do with the scope of coverage under these policies.

Personal insurance policies are very specific in terms of what they cover. The implications of this point are clearest for an auto insurance policy. A board member’s auto policy ordinarily will cover claims for breach of a director’s duties to the organization.

Thus, the terms of a personal insurance policy’s coverage are critical even if the policy explicitly encompasses board service. Many homeowners’ policies apply only to claims based on bodily injury, property damage, and a few other specific types of harm. That coverage is not likely to apply to wrongful termination, discrimination, misuse of funds, or defamation (libel or slander) claims.

As a final note, the D&O insurance policies of some business corporation and nonprofits cover their executives for volunteer board service elsewhere. This feature is usually added as a special endorsement and may be available only for individuals who serve on a board at their employer’s request. Moreover, most business corporations’ policies have a high deductible.

The above information is meant to provide you with a broad overview of what coverages D&O policies provide and why there is the need for this coverage in nonprofit organizations.