

District Insurance

Updated August 2014

Certificates of Insurance are behind a password at

www.locktonportal.com/sites/rotary/resources

FIND THE Lockton ID/PASSWORD with your DaCdb ID/PW [here](#)

You may request the Insurance password [here](#).

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SUMMARY OVERVIEW – Visit the Lockton Portal for full details

Active U.S. Rotary Clubs & Districts are automatically insured by 1) a general liability (“GL”) and 2) directors’ and officers’ / employment practices liability (“D&O/EPL”) insurance policy (subject to policy terms and conditions).

For any questions, contact Lockton at 1-800-921-3172 or rotary@lockton.com or RI Risk Management at insurance@rotary.org.

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Who is insured

These active Rotary organizations in the U.S. and its territories and possessions are named insureds:

- Rotary clubs (including newly chartered Rotary clubs) · Rotary Community Corps
- Rotary districts · Rotary Youth Leadership Awards (RYLA)
- Rotary club foundations*
- Rotary district foundations*
- Certified youth exchange organizations (certified by Rotary International)
- **Interact clubs**
- Rotaract clubs
- 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. However, liability insurance is not first-party health or property insurance.

All Rotarians and volunteers are expected to have their own personal health and property insurance.

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Received from RI 9/30/2013

Dear California Rotary Clubs:

Please read the annual insurance update from Risk Management below. When planning events and activities, don't forget about risk management and liability insurance.

- What could go wrong, and how will we respond?
- What insurance coverage do we have? Do we need any other insurance? Is proof of insurance required for our event/activity? Do we need to collect proof of insurance from others?
- Are the contracts we sign fair to our Club? Do we need to make others sign contracts to clarify responsibilities and protect our Club?

The U.S. Rotary Club and District Liability Insurance Program (“Program”) automatically provides U.S. Rotary clubs and districts with general liability (“GL”) and directors’ & officers’/employment practices liability (“D&O/EPL”) insurance. It is paid for by U.S. Rotarians on the July Semiannual Report.

Where to Go? *Insurance Information Portal*

For the certificate of insurance, insurance policies, summaries, forms, and loss control guidelines, it is highly encouraged to visit the *Insurance Information Portal*:

www.locktonportal.com/sites/rotary/resources

Username: (Visit DaCdb to find ID and Passwords)

Password:

Note: Username and password are case-sensitive. This portal is for U.S. Rotary club/district use only.

Proof of Insurance? *Certificate of Insurance & Additional Insured Endorsements*

The certificate of insurance is on the *Insurance Information Portal*. If there are any issues with the certificate, please contact Lockton (see the bottom of this email).

California municipalities and other property owners often contractually require an Additional Insured endorsement. When requesting Additional Insured endorsement from Lockton, please provide a copy of the written contract that specifies the Additional Insured request and allow Lockton 10 business days to process the endorsement.

Did You Know? *Claims Expenses*

Up to \$500,000 for each GL claim and \$25,000 for each D&O/EPL claim are paid from funds collected from the July Semiannual Report. There is incentive to make risk management and safety a priority! Plan in advance, select reputable vendors/partners, train volunteers on safety, explain risks to participants, eliminate hazards, and enter into fair contracts that protect your Club, because less insurance claims leads to lower dues.

Need Help?

Loss Control Guidelines

It is highly recommended that local legal professional review all contracts to confirm your club’s obligations and negotiate unfair contractual provisions. Visit the *Insurance Information Portal* to help ensure safe and successful events/activities. There is loss control guidance for many different events and activities, including:

- *Contract Best Practices for Activities & Events*
- *Financial Risk Management*
- *Use of Golf Carts and other Mobile Equipment*
- *Food Handling and Serving*

Vendor Management

When selecting vendors, confirm they are reputable, hold valid business licenses, and check client references. Always ask for their proof of liability insurance (certificate of insurance) and contractually require them to have your club as an Additional Insured on their liability policy.

There have been lawsuits filed against Rotary clubs, arising out of vendors' actions. If the vendor's insurance is not valid, Rotary's insurance may have to pay for their wrongdoing.

Events with Fireworks

Review *Loss Control Guidelines – Use of Fireworks*. Bodily injury or property 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. Please obtain a certificate of insurance adding your club as additional insured from the third party fireworks company. With respect to the "sale" of fireworks, as long as this is "legal sale for fundraising purposes of pre-wrapped fireworks purchased from a licensed third party," there is coverage under the Program.

Need to Report Claims? *Incident Reporting*

Report all incidents that may lead to a claim or lawsuit to Risk Management at claims@rotary.org or by fax to (847) 556-2147. The Incident Report form is available on the *Insurance Information Portal*. If your club is served with a lawsuit, please contact Risk Management immediately.

Did You Know? *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 and purchase primary general/special events liability insurance with a minimum limit of \$1 million per occurrence/\$2 million aggregate. The Program provides excess coverage above this required policy.

How Much? *2013-14 Insurance Assessment Rates*

There are annual insurance assessments to all U.S. Rotary clubs on the July Semiannual Report. General liability (GL) assessment rates are based on the frequency and severity of claims. Directors & officers/employment practices liability (D&O/EPL) assessment rates are the same for all states. Due to more claims and rising insurance costs, GL rates increased for 2013-14 to \$5.73 per dues-paying CA Rotarian. However, D&O/EPL rates declined for 2013-14 to \$0.27 per dues-paying Rotarian. Overall, insurance assessments were \$0.07 more per dues-paying Rotarian for 2013-14.

Sincerely,

Julita Brzozowska
Risk Manager
Rotary International

The information provided in this e-mail is intended to help Rotarians manage risks. The information provided does not constitute professional legal, financial or insurance advice. It is highly recommended that you contact a local legal, financial, or insurance professional for such advice.