

PPH National Insurance Co.
c/o Rotary International
Attn: Risk Management
1560 Sherman Avenue, Evanston IL 60201

U.S. Rotary Clubs:

We would like to highlight information on the insurance Program for the 1 July 2016/2017 policy term that your club should find useful.

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 in the July club invoice. (See assessment rates below.)

Insurance Information Portal (Portal)

Visit the *Insurance Information Portal* for the latest information regarding the Program. Here you will find the essentials: certificates of insurance for your events, insurance policies and summaries, and Loss Control Guidelines that can help you plan your club’s activities and events.

www.locktonportal.com/sites/rotary/resources

Username: Rotarian

Password: Resources#1

Note: Username and password are case-sensitive. The *portal* is for U.S. Rotary club/district use only. Please share this information with those in your club, but avoid posting it in places (including unsecure club web sites) where it is easily accessible by outside parties.

Loss Control Guidelines

These Loss Control Guidelines (and many other posted on the Portal) may assist you in planning safe and successful events/activities:

- ***Use of Fireworks***
- ***Use of Automobiles***
- ***Contract Best Practices for Activities & Events***
- ***Use of Golf Carts and other Mobile Equipment***
- ***Food Handling and Serving***
- ***Use of Inflatable amusement rides/tents/canopies***

Fireworks Coverage

Remember that fireworks coverage is no longer provided to clubs that contract directly with the pyrotechnics company detonating the fireworks.

Your club or district may sponsor an event and provide funding for the fireworks, but another party, such as a municipality, must sign the contract. Your club/district should be named as an additional insured on the pyrotechnics policy (or other company hired to detonate fireworks); the limit carried should be \$5M. Require a certificate of insurance from the pyrotechnics firm. If your club signs the pyrotechnic agreement, your club will need to purchase a primary, stand-alone general liability policy with a \$5M limit.

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

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vicarious liability arising from the transportation, delivery, storage, set-up, detonation, takedown or clean-up of fireworks by a third party.

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 subject to policy terms and conditions. See **Loss Control Guidelines – Use of Fireworks** and FAQs on the Portal.

Certificate of Insurance

The certificate of insurance is the most frequently obtained document on the *Portal*. If there are any issues with the certificate, please contact Lockton (contact information is below). If you need an additional insured endorsement please send an email to Lockton along with a copy of your agreement.

Non-Owned/Rented Auto Liability

The Program provides excess liability coverage for the use of rented and non-owned automobiles above any other valid and collectible insurance on the automobile. This coverage is intended for **insured** entities only and does not extend to individuals who use their personal automobile for Rotary club business. There is no comprehensive or collision coverage for damage to any auto operated by the club/district. See Use of Automobiles under Loss Control if your fundraiser or activity involves the use of automobiles.

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 insurance with a minimum limit of \$1 million per occurrence/\$2 million aggregate
- Purchase primary liquor liability with a \$1 million limit if applicable to your club's event
- Send risk management a copy of the policy or a certificate of insurance evidencing the coverage purchased

The Program's coverage is excess of this required policy.

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 *Portal*. If your club is served with a lawsuit, please contact Risk Management immediately.

Claims Expenses

The assessments club members pay in the July Club Invoice are used to cover the annual cost of the commercial insurance policies and cost of claims within the \$250,000 self-insured retention for GL and \$25,000 deductible for D&O/EPL.

2016-17 Insurance Assessment Rates

With the exception of one state with a lower rate, the GL rates increased for 2016-17 by less than 4%. D&O/EPL rates increased a small amount (from \$0.40 to \$0.43) for the 2016-17 policy year. The rates for the U.S. Territories did not change. The Program continues to be very competitive in price and breadth of coverage when compared to other GL/D&O/EPL liability policies in the insurance marketplace. The Program rates by state per member are shown below.

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States and Territories	GL Rates	D & O / EPL Rate
CA FL ME NJ NY OR RI WI	\$5.61	\$0.43
AL AZ CO CT IL LA MA MD MN MO NV PA TN TX WA	\$3.23	
HI ID IN MI NC OH OK SC VA VT	\$2.80	
AK AR DC DE GA IA KS KY MS MT ND NE NH NM SD UT WV WY	\$2.30	
American Samoa, Guam, Northern Mariana, Puerto Rico, US VI	\$1.25	

Sincerely,

Julita Brzozowska
 Risk Manager, Rotary International

Contact Information

<u>Insurance Broker</u>	<u>Rotary Risk Management</u>		
Lockton (800) 921-3172 rotary@lockton.com	Carol Dietz, Assistant Risk Manager (847) 424-5245 insurance@rotary.org	Julita Brzozowska, Risk Manager (847) 424-5394 insurance@rotary.org	Jodi Steel, Claims Manager (847) 866-3125 claims@rotary.org