



VI. USAV CLUB DIRECTORS AND OFFICERS (D&O) PROGRAM



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This presentation is designed to give you an overview of the insurance coverage for your organization. It is meant only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies in place. **Please refer to the specific insurance contracts for details on coverage, conditions and exclusions.**

USAV CLUB DIRECTORS & OFFICERS (D&O) PROGRAM

****Program premium, terms and conditions are effective as of 11/1/2022.***

EPIC, in conjunction with the national office of USA Volleyball, has developed a special Not-For-Profit Directors and Officers Liability program for the Boards of Directors of the **member clubs** of USA Volleyball. EPIC has negotiated a program offering broad protection at very competitive rates. We endorse and sponsor this program and have negotiated coverage that is customized for our local and regional organizations. An online platform (<https://sports.epicbrokers.com/usavolleyball>) has been created to make the application and payment process easy and quick.

To summarize the program briefly, a \$1,000,000 limit of protection may be purchased by each individual Club to include all directors, officers, employees, and volunteers of that Club for **\$550*** annually. An optional limit of \$2,000,000 is available through this program for the annual premium of **\$850***. A credit card processing fee also applies. Eligibility for this program is subject to meeting specific criteria including: 1) your club is a not for profit organization 2) having no prior or pending loss activity 3) gross receipts are under \$1,000,000, and 4) having no more than 5 paid employees. If your organization does not meet the above criteria, the online program and premiums will not be available. Instead, coverage may be applied for using a paper application for underwriting consideration and individual pricing.

All Directors & Officers liability program policies have a November 1st effective and expiration date. For any club enrolling mid-year, a pro-rata premium will be charged subject to a minimum premium of \$100.

We highly encourage each Club to purchase this insurance protection. You can do so by accessing the website and following the link entitled, "Club Directors and Officers Coverage" or by visiting <https://sports.epicbrokers.com/usavolleyball>. You will find additional details about this important coverage on this webpage including a summary of insurance detailing key policy terms and conditions.

We hope that the majority of USAV Clubs will participate this year. If you have not purchased this coverage in the past, you will be filling a major gap in your insurance program by purchasing this coverage.

For questions related to the Club Directors & Officers Liability Program, please contact Jennifer Rains at 678-904-5305 or Jennifer.Rains@epicbrokers.com.

Additional contact information is as follows: Tel. 678-324-3300 or email Sports@EPICBrokers.com.

****Regional Directors & Officer Liability coverage is placed separately by USA Volleyball's National Office. If you have questions regarding the RVA D&O coverage, please contact Jennifer Rains for additional details at Jennifer.Rains@EPICBrokers.com or 678-904-5305.*

Understanding Directors and Officers Liability

The following information is offered to help understand the coverage. However, in order to fully understand the Association Liability Policy, the policy should be read and reviewed in detail. The precise coverage afforded is subject to the terms, conditions and policy as issued.

What is Association Liability Insurance?

Association Liability Insurance is a form of errors and omissions coverage for the managers of an organization's affairs and others who, while acting in their capacity as directors, officers, employees or volunteers of the organization, function in various roles to achieve the objectives of the organization.

It is similar in nature to policies maintained by or for the benefit of other professionals, such as lawyers, accountants, doctors, etc. Coverage is triggered by a claim made against a director, officer, employee or volunteer alleging that while they were acting in their capacity as such, they did or failed to do something (committed what the policy calls a Wrongful Act) for which they should be held personally accountable. Coverage also extends to the organization if named as a defendant in a lawsuit.

If I am sued, what financial protection do I have?

There are two methods by which the organization can provide financial protection to its directors, officers, employees, and volunteers: indemnification and insurance. Every state by statute permits nonprofit corporations to indemnify their directors and officers against loss incurred as a result of certain types of claims. However, such indemnification does not provide protection in all instances. Additionally, the organization may not have sufficient financial resources with which to pay the losses and defense expenses. This is why most nonprofit organizations purchase Association Liability insurance.

Why do claims arise?

The law provides that under given circumstances, directors, officers, employees and/or volunteers can be held personally accountable for their actions. These individuals can be held accountable for failing to act in accordance with the high standard of conduct commensurate with the duties owed to their constituents.

Who brings these suits?

Potential claimants include:

- Employees - allegations may include wrongful termination, discrimination, or sexual harassment
- Volunteers - allegations may include failure to supervise others' activities which resulted in harm to the volunteer
- Members (players) and/or their parents - allegations may include failure to properly supervise, discrimination, denial of credentialing, sexual harassment, or any other dispute in which the member (player) believes caused harm to him or her
- Competing clubs - allegations may include libel and slander or unfair trade practices
- Organization - allegations may include breach of your duty of care
- Outsiders - outside third parties who transact business or otherwise deal with the organization may assert a claim against a director and/or officer if such outsider has been personally and directly harmed by the wrongdoing

Who is typically covered? *(This is for general understanding only. Please refer to the actual policy coverage provisions for exact coverage terms and definitions).*

Past, present, and future directors, officers, employees and volunteers are covered for the reasonable costs of defending themselves against claims alleging a wrongful act, as well as the personal liabilities that they incur for their acts. Additionally, the organization is covered to the degree that it can or may be permitted to indemnify its directors, officers, employees and volunteers and for its direct obligations.