

Attention Chapter Leaders!

Liability insurance for your Chapter is available through an endorsement to the NADE Business Liability Policy. This is a group coverage endorsement and has shared limits to coverage as explained in the packet distributed at the NADE Conference during your leadership meeting.

The deadline to be included in this annually renewed policy is **May 1**. Coverage will run through June 30 of the following fiscal year (July 1 - June 30). To be included, complete the information requested on the form below and mail a check for **\$75** made out to NADE to be received before the May 1 deadline.

NADE Business Liability Policy: Endorsement, Additional Insured
Hartford Casualty Insurance Company
Policy number: 42 SBU BR5589

Chapter name _____ Date _____

Current President name _____ email _____

Current President-Elect name _____ email _____

Current Treasurer name _____ email _____

____ Yes, we wish to be included in the NADE Business Liability Policy: Endorsement, Additional Insured as indicated by the signature below. Enclosed find a \$75 check made out to NADE to cover our portion of the expense for this policy. We understand that this is a group policy with limited and shared coverage according to the policy details.

President signature _____ Date _____

Send a check and this completed form to :

**NADE
Attention: Insurance
500 N. Estrella Parkway Ste B2 PMB 412
Goodyear, AZ 85338**

The American Society of Association Executives' Sponsored Directors' and Officers' Insurance Program Provided Exclusively by Aon Association Services and The Hartford

This ASAE-Sponsored D & O program provides the following innovative features designed to protect your association and its board of directors from mismanagement of funds.

Coverage for Excess Benefits Transaction Penalties:

The 1996 Tax Payers Bill of Rights II Act exposes nonprofit organizations to an excise tax equal to 10% of the excess benefit. An "excess benefits transaction" is one in which the nonprofit organization provides an economic benefit to the "disqualified person" in excess of the fair market value of the goods or services that the organization receives in return.*

Outside Directorship Coverage:

This automatic extension provides coverage for INSUREDS serving on other nonprofit boards as part of their duties.

Defense Outside the Limit of Liability: This important feature prevents defense costs from eroding the limit of liability. Note that, if your association's annual revenues are less than \$1,000,000, this coverage extension will automatically be added by endorsement at no additional premium. Those applicants with annual revenues greater than \$1,000,000, can purchase this option, subject to underwriting approval, for an additional premium equal to 10% of the annual D&O premium.

Spousal Extension:

Expands traditional Estates and Legal Representatives coverage to include coverage for a lawful spouse under certain conditions.

\$100,000 Fiduciary Liability (ERISA) Sublimit Defense Costs Coverage Extension:

Most of our competitors' D&O policies exclude this coverage. The ASAE sponsored D&O program provides this defense cost provision automatically and free of charge. We encourage all associations to consider purchasing a stand alone Fiduciary Liability (ERISA) policy as well. Please ask us for more details.*

Entity Coverage:

D&O-related lawsuits nearly always name the association itself as a defendant. There are D&O policies that do not provide coverage for liability incurred by the organization. The ASAE sponsored D&O program makes sure your association is covered.

Duty-to-Defend Coverage:

A Duty-to-Defend policy requires The Hartford to front CLAIMS EXPENSES in the event of a CLAIM - even if the allegations are groundless or false - rather than reimbursing after the CLAIM is closed. Aon Association Services is also required to assign experienced, defense counsel.

Antitrust Allegation Protection: The threat of antitrust-related allegations is a big exposure for trade and professional associations. Rather than remaining silent on this important coverage issue, we chose to include it in the definition of a wrongful act.

Employment Practices Liability Coverage:

Coverage for *Employment-related claims* (i.e. discrimination, wrongful dismissal, sexual harassment, retaliation, employment related mental anguish and emotional distress, EEOC proceedings) is included as well as any alleged violations of the following statutes:

- a) Title VII of the Civil Rights Act of 1964
- b) The Americans with Disabilities Act of 1990
- c) The Age Discrimination Act of 1967
- d) The Equal Pay Act of 1963
- e) Sections 503 and 504 of the Rehabilitation Act of 1974

Broad Coverage:

The policy specifies any past, present or future director, officer, trustee, employee, volunteer or committee member as an INSURED.

Personal Injury and Publisher's Liability Protection:

CLAIMS alleging libel, slander, copyright or trademark infringements are covered.

*These features are not available for New York insureds.

Call or have your agent call 1-800-432-7465 or Visit us Online at www.asae-aon.com

Sponsored by:



Underwritten by:

AON

Administered by:



Coverage is written with The Hartford which is rated A+ (Superior) by A.M. Best.

Please note that the precise coverage afforded is subject to the terms, conditions and exclusions of the policy as issued.

ASAE-Sponsored Directors' & Officers' (D&O) Liability Insurance Application

The ASAE-Sponsored D&O coverage provided here is written on a claims made basis. Except as otherwise provided, this policy will cover only claims first made against the insured during this policy period.



Organization: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Telephone: (___) _____ Facsimile: (___) _____

E-Mail Address: _____

- Nature of Operations: 1. 501(c)3 Yes No **or** 501(c)6 Yes No Date of Incorporation ___/___/___
 2. Trade Association Yes No **or** Professional Association Yes No
 3. Other: _____ (Please complete or forward your organization's mission statement.)

OPERATIONS

4. Does the association have a negative fund balance? Yes No (If YES, please forward your organization's most recent 12 month financial audit or IRS 990 tax form)
 5. Please indicate the association's Total Annual Revenue* (most current FYE): *\$ _____
 (* If greater than \$1,000,001, please forward your organization's most recent 12 month financial audit or IRS 990 tax form.)
 6. Expiration Date of current APLI policy (if applicable): ___/___/___ Current Premium: \$ _____
 7. Is coverage requested to include any Subsidiary? Yes No Or Affiliate? Yes No
 8. Is the association involved in any standard setting, accreditation, certification or peer review activities? Yes No
 (If YES, please attach details)
 9. Is the association involved in any labor negotiations or collective bargaining? (If YES, please attach details) Yes No
 10. Does the association sell or administer any insurance product (other than those designed solely for the organization's employees)? (If YES, please attach details) Yes No

EMPLOYMENT INFORMATION

11. Total number of employees: _____
 12. How many employees have been terminated in the last year? _____
 13. Does the applicant association have formal written procedures for hiring and firing employees? Yes No
 14. Claims History: Within the last three years, has the applicant association, its directors, officers and/or any other proposed INSURED person received any complaint, suit, inquiry or notice of hearing from any state or federal legislative committee, regulatory body, or any other party? Yes No

PRIOR KNOWLEDGE

15. Is any potential INSURED aware of any circumstance(s) or action(s) which could result in a future claim against any potential INSURED? Yes No
 If YES, please provide a detailed explanation: _____

(IT IS UNDERSTOOD AND AGREED THAT THERE WILL BE NO COVERAGE FOR ANY CLAIM WHICH IS RELATED TO OR ARISES OUT OF THE MATTER WHICH IS SET FORTH OR SHOULD HAVE BEEN SET FORTH IN THE ANSWER TO QUESTION #15)

DECLARATION AND SIGNATURE

PLEASE SIGN AND DATE THIS APPLICATION. Fax it or enclose it in the envelope provided and mail. Once your application and any requested supporting information has been reviewed and approved, you will receive a quotation. Any person who, knowingly and with intent defrauds any insurance company or other person, files an application for insurance containing any false information, or conceals for the purpose of misleading, circumstances concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. Although the signing of this application does not bind the undersigned on behalf of the Organization or its directors, officers or other Insured Persons to effect insurance, the undersigned agrees that this application and its attachments shall be the basis of the contract should a policy be issued and shall be attached to and form part of the policy. The insurance company is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

Signed **X** _____ Date ___/___/___

Print Name: _____ Title: _____

(Executive Director, President or Chairperson of the Board)

www.asae-aon.com

Act Promptly! FAX Application
1-202-857-0143

Questions? Call Toll-Free
1-800-453-5191 ext 561



Aon Association Services, a Division of Affinity Insurance Services, Inc., in CA, MN & OK a Division of AIS Affinity Insurance Agency, Inc., and in NH & NY a Division of AIS Affinity Insurance Agency. Underwritten by The Hartford's Twin City Fire Insurance Company in Arizona, California, Florida, Louisiana and New Hampshire and by the Trumbull Insurance Company in all other states.

