



## INSURANCE FOR FRATERNAL/SOCIAL CLUBS

Insurance for fraternal clubs is specifically designed to meet the needs of social organizations including charitable member organizations, cultural clubs, hobby clubs, military clubs, veteran organizations and more. Coverage can include General Liability, Property, Liquor liability, Inland Marine, Assault and Battery, Directors & Officers, Employment Practices Liability and Umbrella.

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### RECENTLY WRITTEN BUSINESS:

- |                                      |                                   |
|--------------------------------------|-----------------------------------|
| 1. Fraternal organization (\$16,314) | 4. Military social club (\$3,175) |
| 2. Veteran club (\$9,366)            | 5. Hobby club (\$400)             |
| 3. Auxiliary group (\$4,854)         | 6. Cultural organization (\$300)  |

### CLAIM EXAMPLES:

A fraternal club was hosting a private reception for members and their guests. An underage guest presented a fake ID and was served alcohol. The intoxicated minor left the establishment and fatally injured an innocent victim. The family of the deceased sued the club for serving a minor.

Three fraternal club members attended a dance at the local fraternal club where they consumed alcohol. One hour after leaving the dance they were involved in an accident where one passenger sustained a traumatic head injury. He was in a coma for two months with over \$350,000 in medical bills. The passenger sued the club for serving an intoxicated person.

A guest was involved in a physical altercation causing injuries. The fraternal club was sued \$50,000

The personal assets of the directors and officers of a fraternal club were exposed when the organization ran out of funds to pay for a suit brought against it.

A fraternal club employee sued the club’s governing board alleging that the directors and officers were negligent for failing to supervise the club manager, who she claimed sexually harassed her.

An officer served a term on the board of directors for a fraternal club. Eighteen months after completing his service, he was named in a suit alleging mismanagement of funds for the last five years. The ex-officer discovered that the current board of directors had failed to renew its insurance policy. So, even though he had diligently maintained insurance coverage throughout his term of service, the former officer was left with no coverage for this suit.



## Fraternal Club Product

Our **ALL-IN-ONE** Non Profit Package product provides Fraternal Clubs and Private Membership Groups the opportunity to purchase General Liability, Liquor Liability, Property, Directors & Officers and Employment Practices Liability coverage all through **One** application, **One** underwriter, and **One** policy!

### GENERAL LIABILITY FEATURES:

- ▶ General Liability limits up to \$1,000,000/\$2,000,000
- ▶ Expanded definition of Bodily Injury to include Mental Anguish and Emotional Distress
- ▶ Club members included as Additional Insureds
- ▶ No Deductible
- ▶ Hired & Non-owned Auto Liability coverage available
- ▶ Assault & Battery coverage available on most accounts
- ▶ No designated premises limitation

### PROPERTY FEATURES:

- ▶ Special Cause of Loss form
- ▶ Equipment Breakdown-includes free boiler inspection if required
- ▶ Value Plus Endorsement
- ▶ Business Income coverage

### LIQUOR LIABILITY FEATURES:

- ▶ Insured has the option of either Basic or Top Shelf coverage:
  - Basic Form features Defense costs inside the limits of liability and an exclusion for Assault or Battery coverage
  - Top Shelf provides coverage for Defense costs outside the limits of liability, may provide coverage for Assault or Battery and includes automatic coverage for the Liquor License holder as an additional insured
- ▶ Limits up to \$1,000,000/\$2,000,000
- ▶ No Deductible
- ▶ Club members included as Additional Insureds
- ▶ Assault & Battery coverage available on most accounts
- ▶ Credits available for responsible clubs with a formal third party server awareness training program

### DIRECTORS & OFFICERS/EMPLOYMENT PRACTICES FEATURES:

- ▶ Separate Limits of Liability
- ▶ Unlimited Defense Costs outside the limit
- ▶ Unlimited Extended Reporting Period for former Directors & Officers
- ▶ Automatically includes third party discrimination and harassment
- ▶ Free Human Resources Hotline with unlimited number of calls and no time limits (when EPL is purchased)

### CRIME COVERAGE FEATURES:

- ▶ Employee Dishonesty coverage limit up to \$100,000
- ▶ Monies & Securities coverage available inside and outside of Premises

### ADDITIONAL ADVANTAGES:

- ▶ Quick quote turnaround
- ▶ Quick binder confirmation
- ▶ A.M. Best rated A++ carrier





# Fraternal Club Product

THIS **ALL-IN-ONE** POLICY IS DESIGNED FOR FRATERNAL CLUBS AND PRIVATE MEMBERSHIP GROUPS. COVERAGES INCLUDE GENERAL LIABILITY, LIQUOR LIABILITY, PROPERTY, CRIME AND DIRECTORS & OFFICERS LIABILITY WITH OPTIONAL EMPLOYMENT PRACTICES LIABILITY.

## WHY DOES YOUR CLUB NEED TO PURCHASE ALL OF THESE COVERAGES?

- ▶ The negligent service to an intoxicated person or underage person can produce substantial verdicts or settlements against you
- ▶ Your club may be held liable for the actions of members or other persons serving alcohol in violation of state laws
- ▶ Slip and falls that occur on your premises
- ▶ Board of Directors can be sued for mismanagement of funds
- ▶ Employment-related laws are the same for any type of organization
- ▶ Coverage for theft of monies & securities by employees

## Why should you purchase The United States Liability Insurance Group's Fraternal Club Product?

- ▶ Maximize efficiency: One Application, One Quote, One Underwriter, One Policy, One Renewal, One Carrier for all claims, with one concurrent effective date

COVERAGE FEATURES	OUR GROUP	COMPETITORS' POLICY
Separate Limits of Liability for D&O, EPL, GL and Liquor	✓	?
Defense Outside the Limit of Liability on all claims for GL, D&O & EPL	✓	?
Third Party Sexual Harassment and Third Party Discrimination Coverage	✓	?
Mental Anguish and Emotional Distress included in the General Liability definition of Bodily Injury	✓	?
Fundraisers and certain special events included at no additional cost	✓	?
Club members included as an additional insured for both General & Liquor Liability	✓	?
Assault and Battery coverage available on most risks	✓	?
Special Cause of Property Loss/Replacement Cost Coverage/Optional Equipment Breakdown Coverage	✓	?
Value Plus Endorsement – 15 valuable coverage enhancements including; Water Back-up, Money & Securities, Employee Dishonesty, Signs, Transit and more	✓	?

## WHY CHOOSE TO BE INSURED WITH UNITED STATES LIABILITY INSURANCE GROUP?

- ▶ One of only 20 A++ rated insurance groups in the United States by A.M. Best.
- ▶ A proud member of the Berkshire Hathaway Group, recently voted the #1 most admired Property & Casualty Company in the world (Fortune Magazine).

Insure your financial well-being with a stable Company that will be there to pay your claim.

# FRATERNAL CLUBS

- ⦿ Risks with up to 1,000 active members
- ⦿ New ventures
- ⦿ Eligible classes include, but are not limited to:



Auxiliary groups	Ethnic clubs	Military social clubs	Social clubs
Charitable member organizations	Fraternal organizations	Private membership groups	Veteran organizations
Cultural organizations	Hobby clubs		

## PRODUCT ADVANTAGES

- ▶ General liability
  - No designated premises limitation
  - Fundraisers and certain special events included at no additional cost
  - Club members included as additional insured
  - Hall/Banquet rental is included at no additional cost
  - Blanket additional insured available for nominal cost
- ▶ Liquor liability
  - Two options are available to appeal to the cost or coverage conscious buyer
    - Top Shelf – Provides defense costs outside the limits, assault or battery coverage available in most areas, liquor license holder included as additional insured at no charge
    - Basic – Provides defense costs inside the limits, assault or battery is excluded
  - Club members included as additional insured at no charge
  - Multiple credits available
- ▶ Directors and officers/employment practices liability
  - Lifetime occurrence reporting provision – Unlimited reporting extension for former directors and officers
  - Data & Security+ endorsement – Provides a \$50,000 expense sublimit each for data breach, identity theft, workplace violence and kidnap expenses
  - Full prior acts coverage
  - Breach of contract coverage
  - Unlimited defense outside the limits on Broad Form
  - Fair Labor Standards Act (FLSA/wage and hour) sublimit of \$100,000 for defense costs and loss (available in most states)
  - Optional fiduciary coverage
  - Optional Standard Form – A competitively priced alternative to our Broad Form option
- ▶ Package offerings can also include inland marine, hired/non-owned auto (available in most states), excess and umbrella coverages



## AVAILABLE LIMITS

- ▶ General liability available up to \$1,000,000/\$2,000,000
- ▶ Liquor liability up to \$1,000,000
- ▶ Directors and officers/Employment practices liability up to \$5,000,000
- ▶ Crime coverage/Employee dishonesty up to \$100,000
- ▶ Property up to \$3,000,000 (risks without a cooking exposure) \$1,500,000 (risks with a cooking exposure)
- ▶ Hired and non-owned auto up to \$1,000,000
- ▶ Excess/Umbrella coverage up to \$5,000,000

## BUSINESS RESOURCE CENTER

Provides centralized access to business solution vendors for all policyholders. Solutions include:

- ▶ Human resources services
- ▶ Pre-employment and tenant screenings
- ▶ Identity theft protection
- ▶ Marketing resources

Non Profit Resource Center also available at [www.usli.com/brc](http://www.usli.com/brc).

## MOST COMMON INELIGIBLE RISK CHARACTERISTICS

- ▶ The following classes of business
  - Hunting and fishing clubs
  - Gun clubs
  - Collegiate fraternities and sororities
- ▶ Aluminum or knob and tube wiring (for buildings built prior to 1978)
- ▶ Wiring not 100 percent connected to functional circuit breakers (for buildings built prior to 1978)
- ▶ Located in AK, LA or WV

NOTE: Many classes may still be eligible for our Nonprofit Directors and Officers Liability/Employment Practices Liability product. Ineligible risk characteristics include, but are not limited to those listed above.

**CONTACT YOUR UNDERWRITER FOR MORE INFORMATION AT 888-523-5545 OR VISIT USLI.COM.**

This document does not amend, extend or alter the coverage afforded by the policy. For a complete understanding of any insurance you purchase, you must first read your policy, declaration page and any endorsements and discuss them with your agent. A sample policy is available from your agent. Your actual policy conditions may be amended by endorsement or affected by state laws.





## Fraternal Club Product

### *Claim Examples*

- ▶ A club was hosting a private reception for members and their guests. An underage guest presented a fake ID and was served alcohol. The intoxicated minor left the establishment and fatally injured an innocent victim. The family of the deceased sued the club for serving a minor.
- ▶ Three club members attended a dance at the local fraternal club where they consumed alcohol. One hour after leaving the dance they were involved in an accident where one passenger sustained a traumatic head injury. He was in a coma for two months with over \$350,000 in medical bills. The passenger sued the club for serving an intoxicated person.
- ▶ A guest was involved in a physical altercation causing injuries. The club was sued for Assault and Battery.
- ▶ The personal assets of the directors and officers of a non profit organization were exposed when the organization ran out of funds to pay for a suit brought against it.
- ▶ A club employee sued the club's governing board alleging that the directors and officers were negligent for failing to supervise the club manager, who she claimed sexually harassed her.
- ▶ An officer served a term on the board of directors. Eighteen months after completing his service, he was named in a suit alleging mismanagement of funds for the last five years. The ex-officer discovered that the current board of directors had failed to renew its insurance policy. So, even though he had diligently maintained insurance coverage throughout his term of service, the former officer was left with no coverage for this suit.

# PRIVATE FRATERNAL CLUBS

## Westchester Binding is now able to consider the complete package for your Private Fraternal Club accounts!

Obtain a comprehensive quote with General Liability and Property coverages, with the ability to cover exposures generated from hall rental and bingo operations.

Description	Class Code	Rating Basis
<b>Fraternal Club – No cooking or alcohol</b>	41667	Area
<b>Fraternal Club – With cooking or alcohol</b>	16916	Sales
<b>Fraternal Club – Hall exposure</b>	44277	Area
<b>Bingo Games</b>	40075	Admissions

## Key Features

- Broad appetite for any private club with non-profit status
- Risks with alcohol sales, major entertainment and bouncers eligible
- Business owners package with the ability to consider up to \$5,000,000 in total Property values
- Liquor Liability with full Assault & Battery coverage up to \$1,000,000/\$2,000,000 available for quick quote on same online platform

Insurance provided by Westchester Fire Insurance Company and its U.S. based Chubb underwriting company affiliates. Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at [chubb.com](http://chubb.com). All products may not be available in all states and surplus lines products can only be offered through licensed surplus lines producers. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued.