

**KIWANIS INTERNATIONAL**

**COMMERCIAL  
GENERAL LIABILITY  
INSURANCE**

# **NAMED INSUREDS**

**Kiwanis International and its owned, controlled, subsidiary  
or affiliated organizations now or hereafter constituted**

**including;**

**Kiwanis Clubs**

**Kiwanis Districts**

**Kiwanis Divisions**

**Kiwanis Club Foundations**

**Kiwanis District Foundations**

**Kiwanis International Foundation**

**Kiwanis Societies (Canada)**

**Key Clubs**

**Circle K Clubs**

**Builders Clubs**

**AKtion Clubs**

**K Kids**

**Additional Insureds:**

**Club Members**

**Volunteers**

# **THE PROGRAM**

**COMMERCIAL GENERAL LIABILITY - (Bodily Injury, Personal Injury & Advertising Injury, and Property Damage):**

<b>Each Occurrence Limit</b>	<b>\$1,000,000</b>
<b>General Aggregate</b>	<b>\$2,000,000**</b>
<b>Products/Completed Operations</b>	<b>\$2,000,000</b>
<b>Personal/Advertising Injury</b>	<b>\$1,000,000</b>
<b>Non-Owned &amp; Hired Auto Liability</b>	<b>\$1,000,000</b>
<b>subject to Policy Aggregate</b>	<b>\$3,000,000</b>
<b>Fire Damage (Any One Fire)</b>	<b>\$ 50,000</b>
<b>Medical Payments: 3rd Party</b>	<b>\$ 5,000</b>
<b>Members/Vols.</b>	<b>\$ 5,000</b>

## **INCLUDES:**

**Premises/Operations**  
**Products/Completed Operations**  
**Independent Contractors Liability**

**\*\* NOTE: General Aggregate applies per District!**

# **THE PROGRAM - Contd.**

## **COMMERCIAL UMBRELLA LIABILITY - Excess of Underlying/Primary Insurance:**

<b>Each Occurrence Limit</b>	<b>\$35,000,000</b>
<b>Policy Aggregate Limit</b>	<b>\$35,000,000**</b>
<b>Self-Insured Retention</b>	<b>\$ 10,000</b>

**Includes:** Premises/Operations  
Products/Completed Operations  
Independent Contractors Liability  
Non-Owned & Hired Auto Liability

**\*\*NOTE:** Limit applies per District!

# **KIWANIS Policy Exclusions**

- **Aircraft/Balloons/Parachutes/Ultra Lights**
- **Sale of Liquor**
- **Motorized Racing/Stunting Events**
- **Bungee & Velcro Jumping**
- **Law Enforcement Activities**
- **Watercraft: Owned, Non-Owned OVER 50'**
- **Asbestos & Lead Related Liability**
- **Med. Payments for Athletic Participants**
- **Care, Custody & Control - Property**
- **Pollution Liability**
- **Firearms Limitation – Live Hunting Exclusion**
- **Employment Practices Liability**

# **Current Market Climate**

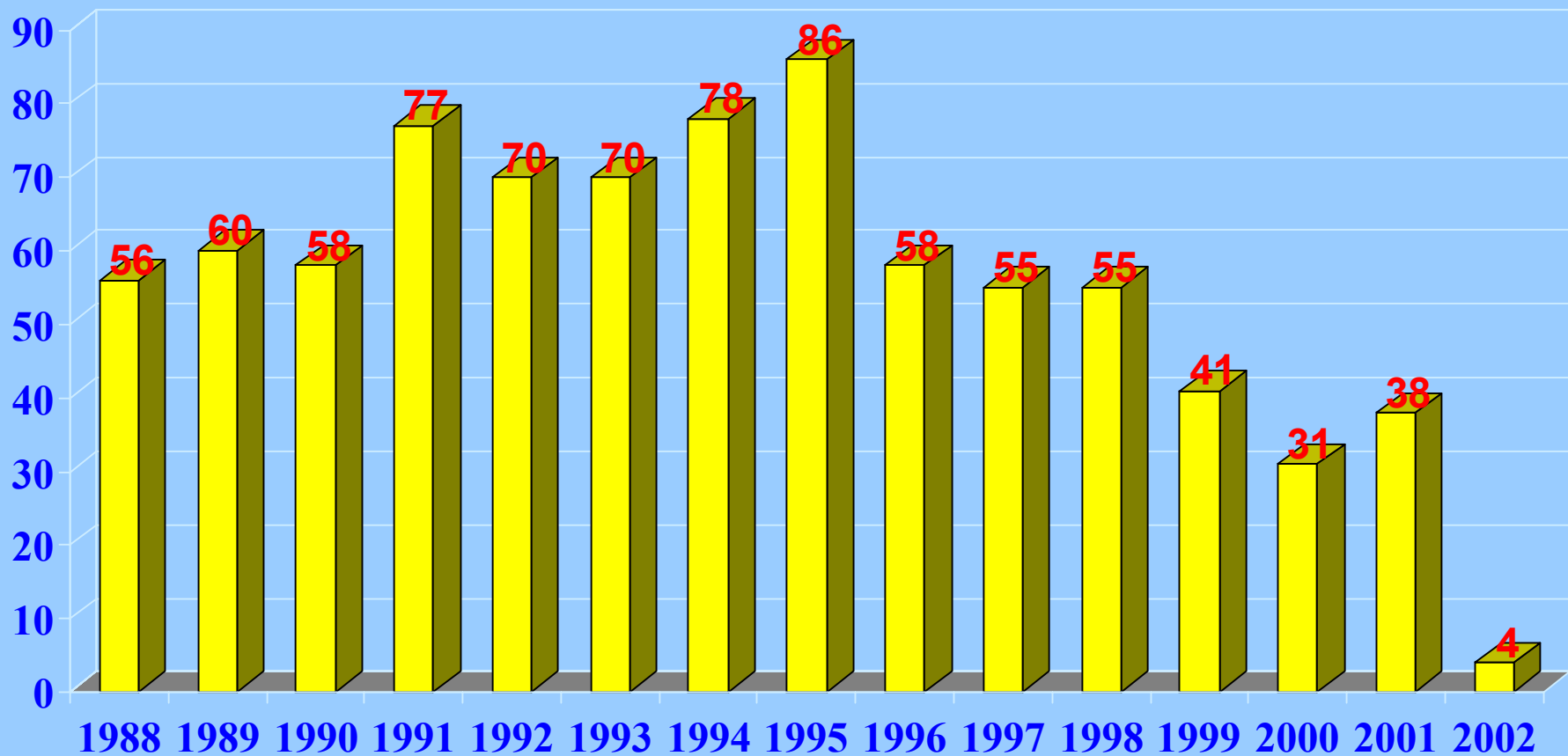
- **Ten years of indiscriminate rate cutting**
- **Investment Income no longer offsets Underwriting Losses!**
- **Profit becomes the main objective**
- **Fewer carriers willing to quote**
- **Catastrophe Losses – Flood, Fire or Quake**
- **Reinsurance Market Losses**
- **Need to increase reserves on old claims**
- **Restrictions on some classes of business**
- **Reduced Capacity/Limits available**

# **Cost Components of Kiwanis Insurance Program**

- **Insurance Premiums**
- **Claims within the Self-Insured Retention**
- **Self Insured Retention for Sexual Misconduct \$250,000!**
- **Insurance charge per Kiwanian must fund both!**

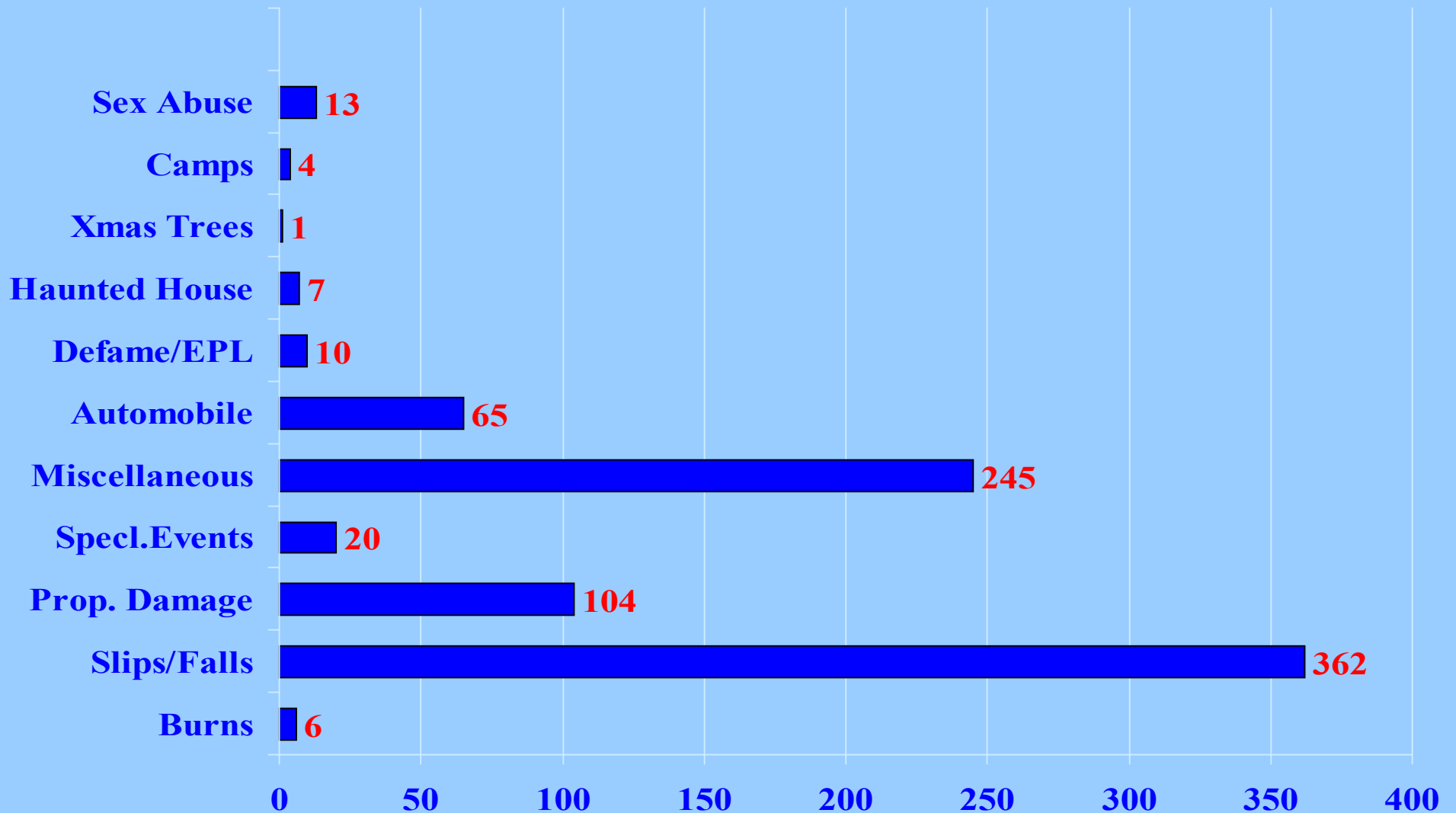
# KIWANIS INTERNATIONAL

## LIABILITY LOSSES - FREQUENCY 11/88 TO 5/03



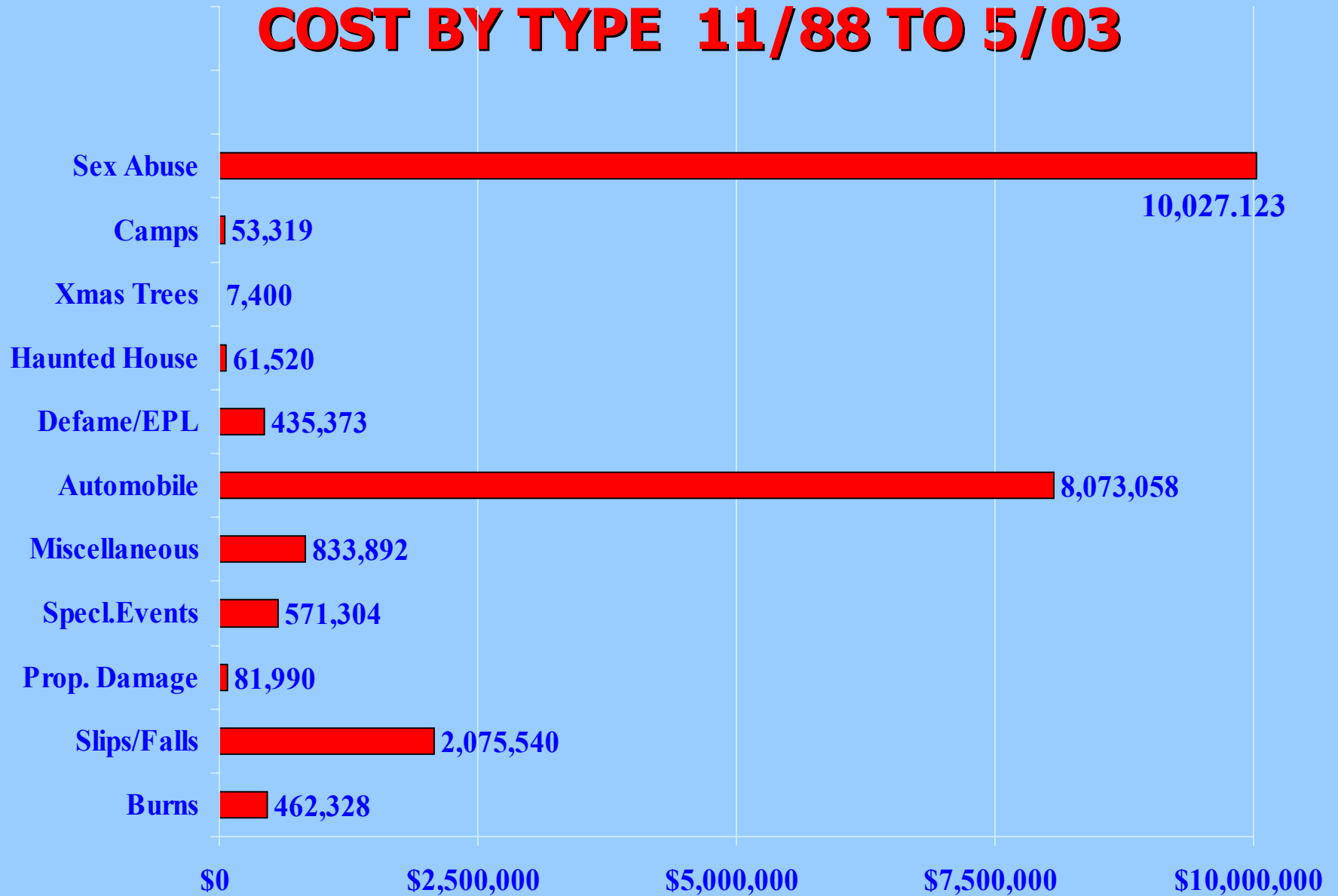
# KIWANIS INTERNATIONAL

## FREQUENCY BY TYPE 11/88-5/03



# KIWANIS INTERNATIONAL

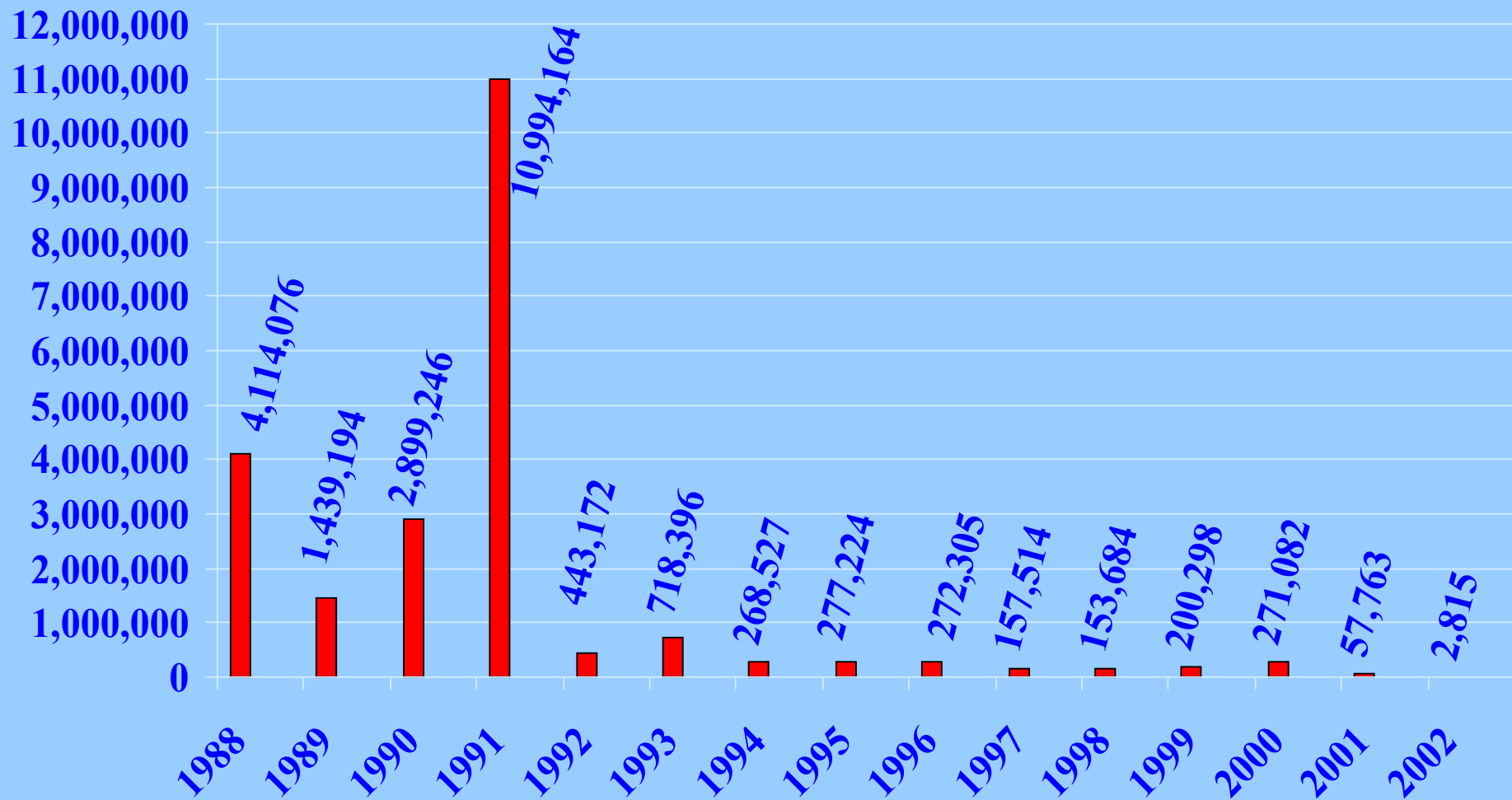
## COST BY TYPE 11/88 TO 5/03



# KIWANIS INTERNATIONAL

## LIABILITY LOSSES - COST INCURRED

### 11/88 TO 5/03



# **KIWANIS INTERNATIONAL**

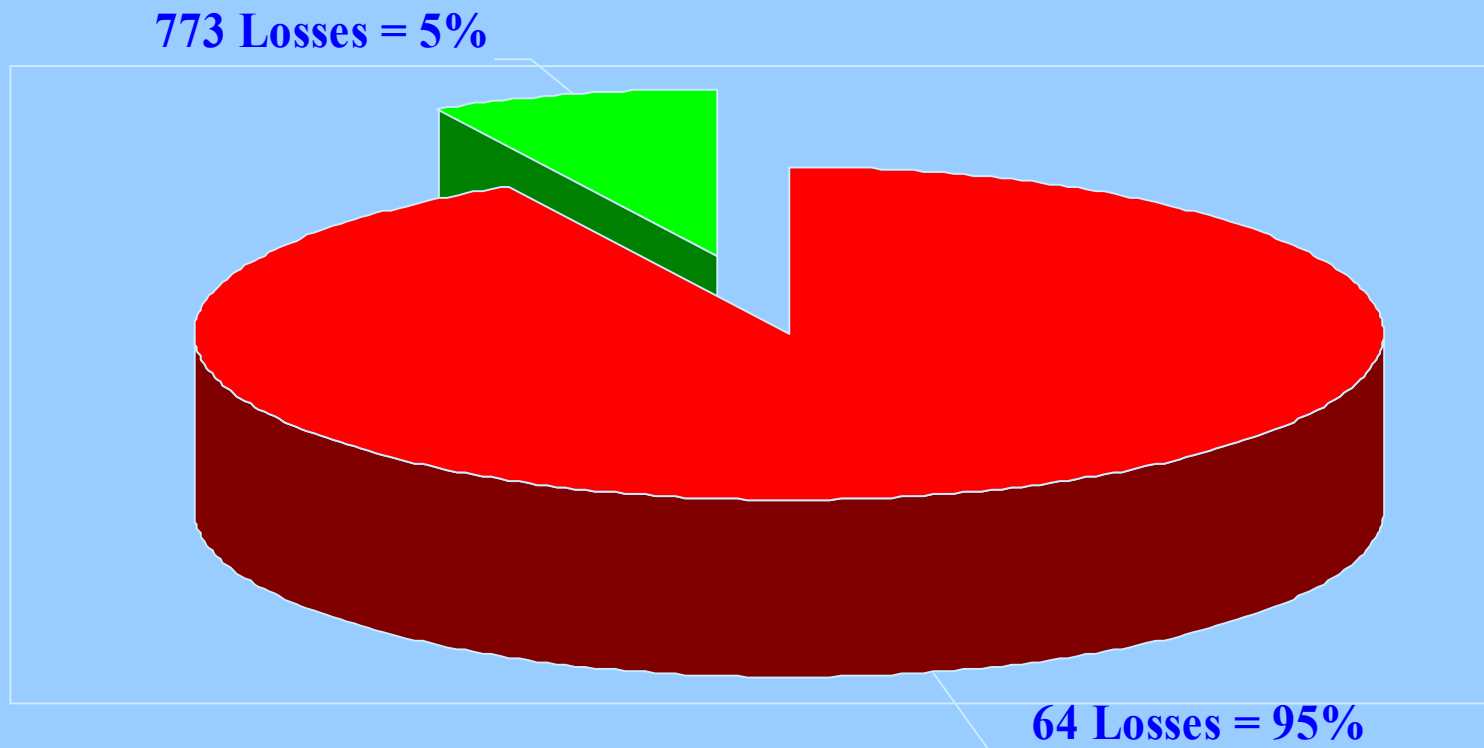
## **Loss Development As Of 5/03**

<b>Policy Year</b>	<b>Valued May-97</b>	<b>Valued May-98</b>	<b>Valued May-99</b>	<b>Valued May-00</b>	<b>Valued May-01</b>	<b>Valued May-02</b>	<b>Valued May-03</b>
1988-89	3,776,448	3,883,729	3,953,704	3,939,913	4,490,527	4,516,106	4,114,076
1989-90	1,299,794	1,299,794	1,307,333	1,304,833	1,437,326	1,438,794	1,439,194
1990-91	2,278,794	2,255,447	2,255,447	3,499,675	2,897,586	2,794,808	2,899,246
1991-92	10,992,044	11,048,661	11,055,460	11,088,369	10,994,164	10,994,164	10,994,164
1992-93	430,691	442,554	442,918	443,172	443,172	443,172	443,172
1993-94	269,131	236,055	190,556	204,992	693,711	703,149	718,396
1994-95	171,186	317983	286754	272187	268527	268527	268527



# KIWANIS INTERNATIONAL

## LIABILITY & AUTO - LARGE LOSSES NUMBER VS. % OF TOTAL COST AS OF 5/03

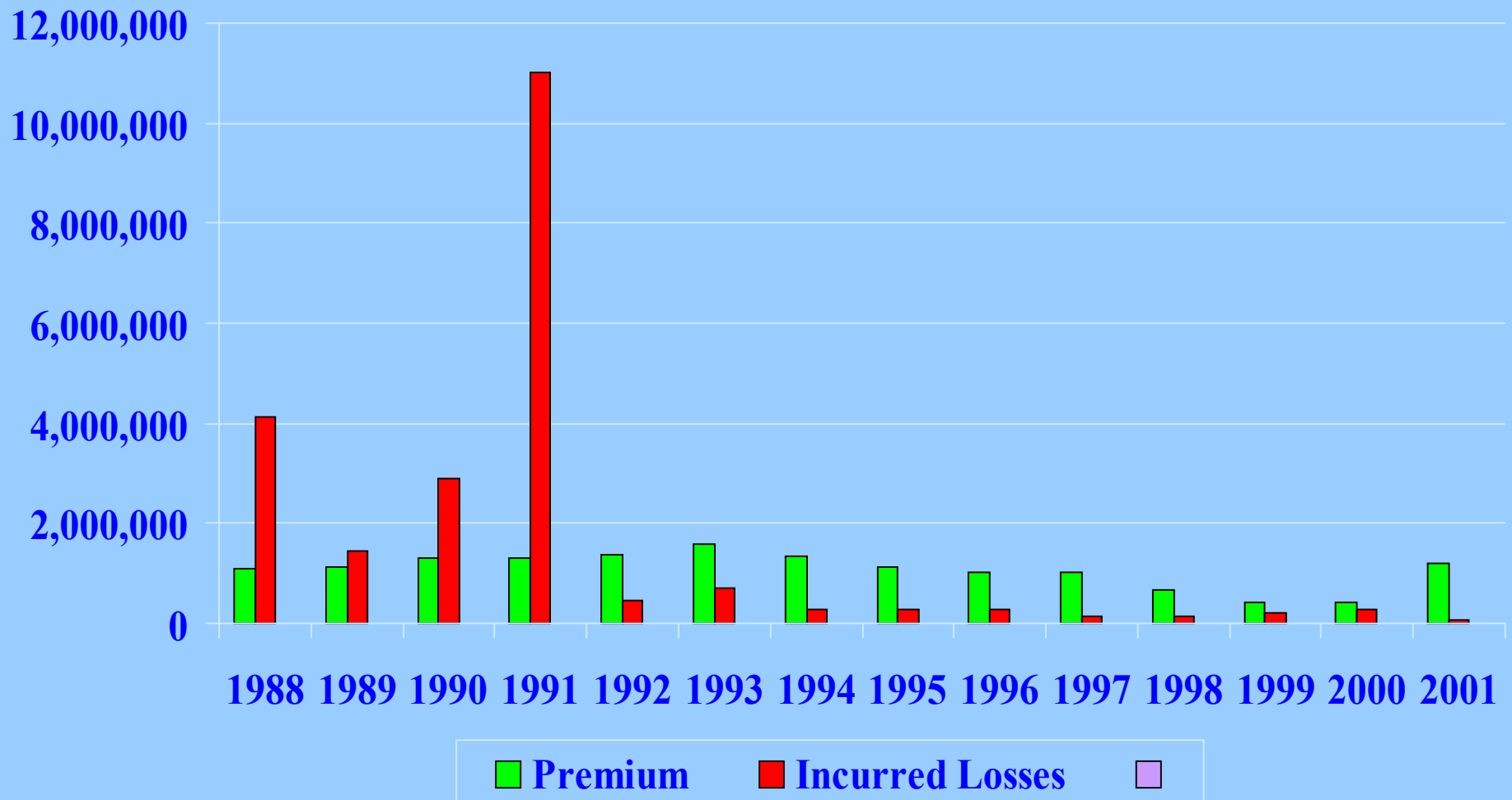


**62 LOSSES OVER \$25,000 = 95% OF THE TOTAL  
INCURRED COST OF CLAIMS!**

# KIWANIS INTERNATIONAL

## LIABILITY PREMIUMS & LOSSES

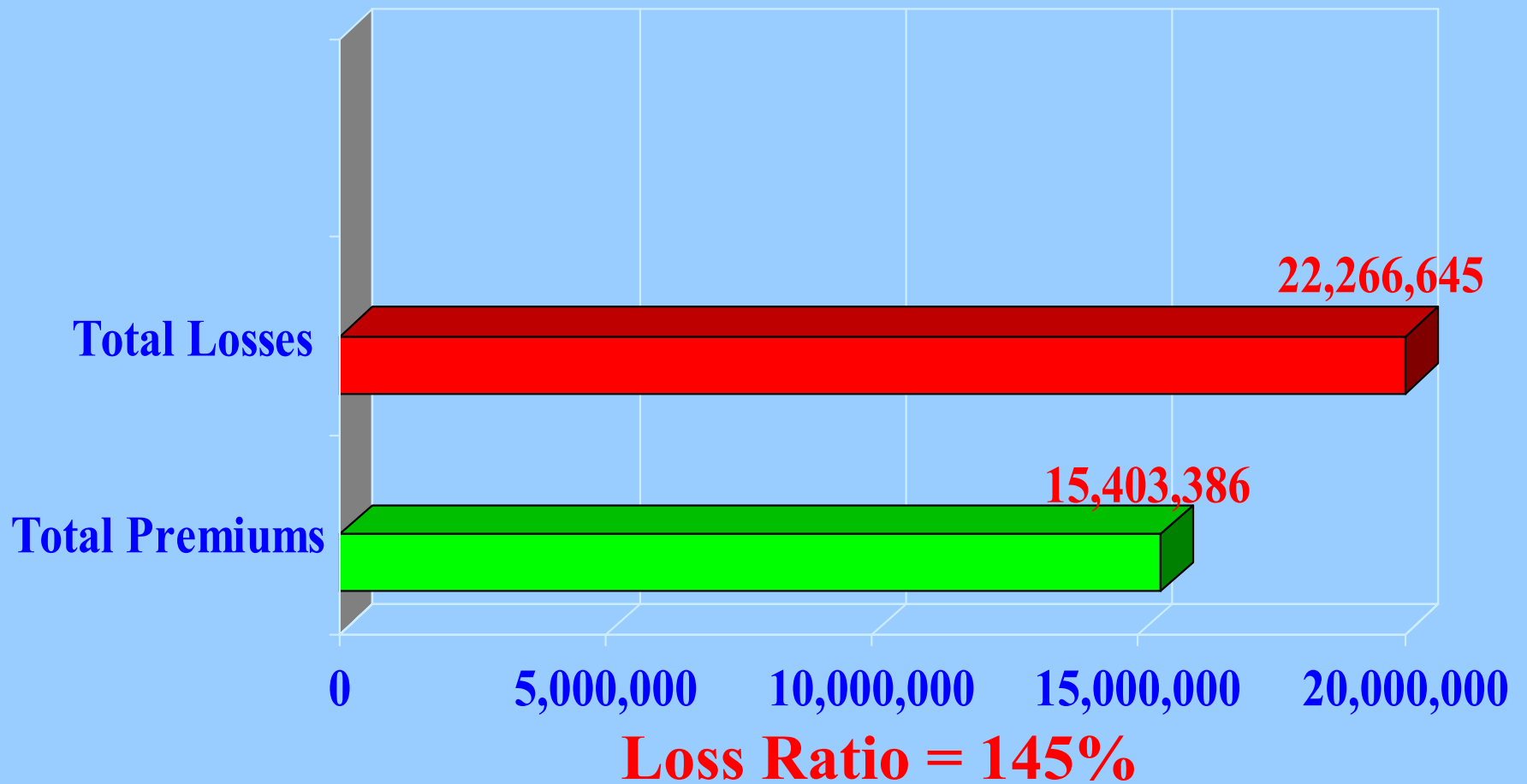
11/1/88-02 (As of 5/03)



# KIWANIS INTERNATIONAL

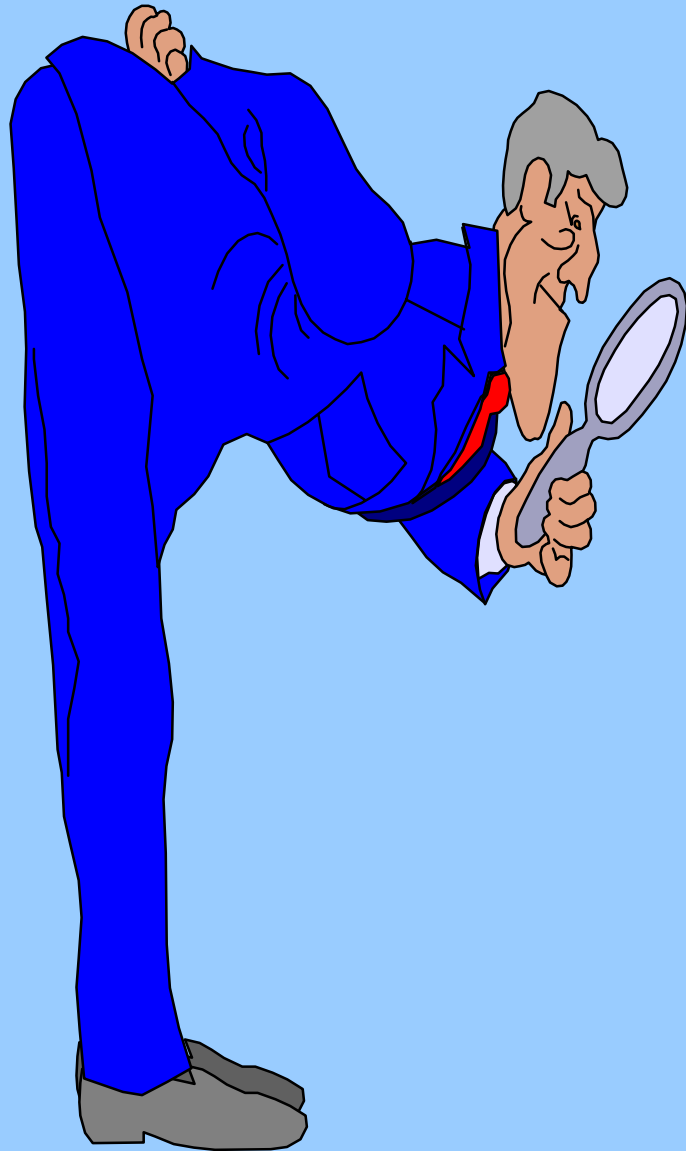
**ACCOUNT LOSS RATIO: 11/1/88-02**

**As of 5/03**



# General Liability Issues

- **A Safety Coordinator in Every Club**
- **A District Risk Manager in Each District**
- **Be Involved, not just "Sponsoring"!**
- **Minimize High Hazard Activities!**
- **Use the Risk Management Packet!!!**
- **DON'T offer others coverage under the Kiwanis Insurance Program!!!**
- **Protect the Program as if it were your own Business or Personal Insurance!**
- **When in doubt, Call *HYLANT GROUP* at  
(800) 678-0361**



**District Risk Managers:**  
A valuable resource available  
to assist in answering  
questions about the Kiwanis  
General Liability Insurance  
Program, and to help in  
identifying and dealing with  
exposures to loss inherent in  
your club and District  
activities.

**DON'T HESITATE  
TO CALL ON  
THEM!!!**

# **HYLANT GROUP**

**501 Congressional Boulevard**

**Suite 300**

**Post Office Box 1910**

**Carmel, IN. 46082-1910**

**Toll Free (800) 678-0361**

**Phone (317) 817-5000**

**Fax (317) 817-5151**

# DIRECTORS & OFFICERS LIABILITY INSURANCE

- Covers Directors, Officers, Employees, Staff, Volunteers, Committee Members
- Covers Employment Related Matters
- Full Prior Acts Coverage
- Pays Defense *in addition to Policy Limits*
- Defense Costs paid on current basis
- No Insured vs. Insured Exclusion

# **KIWANIS D&O Coverage**

- Claims Made Coverage - Important Aspects
- What this means for future & past Boards
- Affordability Issue
- Increased Claims involving Harassment
- Discrimination - "Good Old Boy" syndrome
- Youth group exposures & impact on the district
- How should clubs make a decision?

# DIRECTORS & OFFICERS LIABILITY INSURANCE

- Includes "*Entity*" Coverage
- Non-Cancelable by the Insurer
- Foundations covered at no additional cost
- \$1,000,000 Limit with No Retention
- Premium determined on a per district basis
- Application Required

# Typical D&O Claim Allegations

- Failure to Act
- Mismanagement of Funds
- Conflict of Interest
- Bad Faith
- Unfair Employment Practices
- Wrongful Termination
- Discrimination
- Sexual Harassment

# D&O vs. General Liability - What is the Difference?

- Genl. Liability covers Bodily Injury, Property Damage, and Advertising Injury
- D&O Covers “Wrongful Acts” (not Bodily Injury, Property Damage, etc.) plus it covers Employment Practices Liability hazards.
- Genl. Liability is “Occurrence” Coverage
- D&O is “Claims Made” Coverage

# **COMPREHENSIVE CRIME INSURANCE COVERAGE**

- **Includes Employee Dishonesty, Forgery, Money & Securities Coverage**
- **Definition of "*Employee*" includes District Chairman, Volunteers, Non-Compensated Officers, and Committee Members**
- **\$10,000 Base Limit with \$100 Deductible**
- **\$125 Annual Premium**
- **No Application Required**