

## BEGINNING EXPERIENCE INSURANCE COVERAGE 2017-18

Beginning Experience International Ministry, Inc., holds several forms of insurance covering all North American teams. The premium is shared among the teams. A summary of the coverage follows.

### 1. COMPREHENSIVE GENERAL LIABILITY and PROFESSIONAL LIABILITY

*This is a combined policy covering two areas of liability.*

#### 1) Comprehensive General Liability covers:

- 0 Bodily injury to participants
- 0 Premises and operations
- 0 Contractual liability
- 0 Broad form property damage (damage to property of the facility/venue)

This coverage applies to any claim made against a team or team member by program participants or the general public for themselves, their property, or property of the facility/venue in the event the individual is injured or the property is damaged.

*This coverage is for potential liability from claims made by participants or members of the public arising from program activities that may cause physical injury to the participant or property damage to facilities. It provides protection for the International Ministry, teams and team members for the settlement of claims and/or damages. The policy covers premises leased, owned or occupied, and activities away from the facility. Thus weekends, authorized support programs, fund raising events and social functions are insured for actions in which it could be asserted that the team, one or more team members, or the ministry is at fault.*

#### 2) Professional Liability (Errors and Omissions) covers:

- 0 Professional/non-professional services rendered by any legally responsible person (team member)
- 0 Physical or mental injury to any participant

This coverage applies to claims made against the team in their work as volunteers by participants or others, and to claims made against any officer or director operating within the scope of the team and the ministry.

*Courts have held that any individual or organization offering advice or any type of counseling can be held liable for their actions as "professionals." Standard liability policies do not provide coverage for this exposure since they only insure against bodily injury and property damage. Professional liability (also referred to as Errors and Omissions Liability) is similar to malpractice insurance in that it protects the individual team member, the team and/or the ministry for claims of damages arising from the team member's role as a trained peer minister. While we stress that we are not counselors and our training stresses that our role is that of a listener and not to give advice, this does not preclude a participant or member of the public from construing specific actions in that manner.*

**NOTE:** Excluded from Comprehensive General Liability coverage are assault and battery; personal injury (such as libel or slander); advertising liability; lead, asbestos and pollution damages; and liquor liability.

**Limits of Liability for this combined coverage:** \$1,000,000 per occurrence; \$3,000,000 aggregate; \$2,500 deductible.

## **2. DIRECTORS, OFFICERS, AND TRUSTEES INSURANCE FOR NOT-FOR-PROFIT ORGANIZATIONS**

This is coverage arising from any claim or claims by a participant or others for any alleged wrongful act filed against a team member in his or her capacity as a director/officer of the team and indemnifies the director/officer for loss pursuant to law, common or statutory or contract. This coverage automatically applies to all newly elected directors and officers after the inception of the policy. It also includes coverage for discrimination, sexual harassment, libel, slander, defamation, or publication or utterance in violation of a person's right of privacy.

*Under common law and the statutes of some jurisdictions, directors and officers (local boards) owe certain duties and standards of care in managing the affairs of the team they serve. If failure to perform these duties with care should result in financial damage to the local team and/or Beginning Experience International Ministry, Inc., the director or officer can become personally liable to make restitution.*

*Under other circumstances, the directors and officers can become liable to parties inside or outside of the team/corporation as a result of their mismanagement. Because of the threat this exposure poses to the directors' and officers' personal assets, some non-profit organizations make this coverage a prerequisite prior to accepting a board position.*

**NOTE:** Physical abuse is excluded from coverage.

**Limits of Liability:** \$1,000,000 claims made; \$5,000 deductible

### **OTHER IMPORTANT INFORMATION**

**Certificates of Insurance.** A form for requesting a certificate of insurance is available on-line at [www.beginningexperience.org](http://www.beginningexperience.org). Click on the Team Login area (lower left corner of the home page); then click on "North America." Enter the user name "northamerica" and the password "inmotion."

Certificates of insurance for your facility or retreat center must be requested from the International Ministry Center (IMC) by calling 866.610.8877 or by completing the on-line form, saving it and sending it as an email attachment to [bette.thompson@beginningexperience.org](mailto:bette.thompson@beginningexperience.org). Please do not contact the insurer directly—they refer the request back to the IMC, resulting in a delay issuing the certificate. Provide:

- 0 The name of your team
- 0 The person or organization requesting the certificate with full address of the facility, the name of the person the certificate should go to, their email address and fax number
- 0 The date(s) of the weekend or other function.

The original certificate will be sent to the venue requesting it, with copies to your team and to the International Ministry Center.

**Deductibles.** The policies all call for deductibles. This is an amount for which the named insured (the Beginning Experience® team or ministry) is responsible before the insurance company begins to pay a claim. These policies call for the insurance company to pay from dollar-one, with the named insured reimbursing the insurance company for the deductible amount specified.

Deductibles are used to keep the premium costs at a minimum. The International Board has directed that the International Ministry Center will pay a portion of the deductible for claims arising against a team. The sharing of the deductible for each claim is 1/3 from the team and 2/3 from the International Ministry Center.

## CLAIMS: WHAT TO DO

- 0 If an incident occurs, notify the International Ministry Center (866.610.8877 or FAX 574.283.0287) as soon as possible.
- 0 An incident report will be sent to you to be completed, or access the incident report from the web site (see above) and send as an email attachment to the IMC. The insurance company will instruct you on correct procedures to follow for handling claim s.
- 0 The claim will be assigned to a local adjuster in your jurisdiction. You will be notified by the adjuster of your responsibility and any further action to be taken.
- 0 **IT IS IMPERATIVE THAT NO ONE ADMIT ANY LIABILITY— or indicate in any way—** “don’t worry, we have insurance.” Here’s why:

Once a claim is presented to the insurance company, a deductible is mandated. The deductible applies to **each** claim. **Admitting liability in any way could lead to incurring a deductible** before an actual, valid claim is determined, or could impair the insurance company’s right to settle a claim .

In other words, it is **important not to inadvertently incur a claim—and hence a deductible— before it is actually a claim .**

*IMC March 2017*