

## **USA Water Ski Club Directors & Officers Liability Program**

In April of last year, USA Water Ski rolled out a new insurance program which provides USA Water Ski affiliated clubs with access to affordable, easy to obtain Directors & Officers (D&O) and Employment Practices Liability (EPL) coverage.

### **What is Directors & Officers (D&O) insurance?**

Directors and Officers Liability Insurance provides personal financial protection for the directors and officers of your Club in the event they are sued in conjunction with the performance of their duties related to the Club. Think of Directors and Officers Insurance as a management Errors and Omissions policy. Directors & Officers liability insurance, broadly defined, covers legal costs, judgments and settlements resulting from suits and other legal proceedings brought against the Club's Board of Directors, Officers or the insured entity itself for allegations of wrongful acts, errors, and omissions.

In general terms, D&O coverage protects club officers and directors from personal liability associated with allegations of wrongful acts, errors, and omissions associated with their involvement and duties as club board members. D&O claims often allege mismanagement of funds; negligence involving decisions that affect club members, participants, coaches, officials and others.

### **What is Employment Practices Liability (EPL) insurance?**

Directors & Officers Liability Insurance is usually coupled with Employment Practices Liability coverage. EPL coverage protects the club board members against claims alleging harassment and discrimination suits, such as discrimination against a club member, participant, coach or other constituent; or wrongful termination of an official, coach, or volunteer.

### **Why does our Club need D&O and EPL coverage when we have General Liability coverage?**

Directors and Officers Insurance is often confused with General Liability insurance. The two are not synonymous. General Liability insurance affords coverage with respect to claims arising out of bodily injury or property damage, and limited personal or advertising injury. A General Liability policy is not designed to cover the types of claims covered under D&O and EPL policies. Clubs should carry both Directors and Officers Liability Insurance (with EPL coverage) and General Liability Insurance.

### **How much does the USA Water Ski Club D&O/EPL program cost?**

The USA Water Ski Club D&O program renewed on 11/1/2008. The annual premium rates for this program are \$575 for a \$1,000,000 limit and \$875 for a \$2,000,000 limit. The annual premium will be adjusted on a pro-rata basis to reflect when each club enrolls into the program.

### **How does our Club apply for coverage?**

All clubs wishing to enroll in the program can do so through the following website:

[www.fastcov.com/usawaterski/](http://www.fastcov.com/usawaterski/)