



Gallagher



Directors & Officers (D&O) Liability Insurance

Club Program – Summary of Coverage



Protecting Club Leadership from Today's Risks

Serving on a club board or as an officer comes with responsibility — and exposure. Directors & Officers (D&O) Liability Insurance is designed to protect board members, officers, and the organization itself against claims alleging wrongful acts made in the course of managing the club.

What Is D&O Insurance?

D&O Liability Insurance provides coverage for **claims made against directors, officers, trustees, and board members** alleging:

- ▶ Breach of fiduciary duty
- ▶ Mismanagement of funds
- ▶ Failure to follow governing documents
- ▶ Employment related allegations
- ▶ Regulatory or administrative actions

This coverage helps protect **personal assets** and ensures the club can continue operating without disruption from costly litigation.

Who Is Covered?

- + Board Members
- + Trustees
- + Board Members
- + Committee Members
- + Independent Contractors (when indemnified by the club)
- + Officers
- + All employees
- + Officers
- + The Club Entity Itself

Coverage applies to **past, present, and future Insured Persons**



Program Highlights

Carrier:

Great American Insurance Company

Policy Form:

Non Profit ExecPro (Admitted)

Program Limits

- ▶ **\$5,000,000** Aggregate Limit (Shared for D&O and EPL)
- ▶ **\$1,000,000** Per Participating Chapter
- ▶ Additional **\$1,000,000** Side A Limit (Limited to any director, trustee, officer, regent, governor and/or member of the Board of Managers)

Retentions

- ▶ Directors and Officers: **\$1,000**
- ▶ Employment Practices: **\$1,000**



Enhanced Coverage Features

This program includes a broad form providing meaningful extras often unavailable in standard nonprofit D&O policies:

- ✓ Fully Non-Rescindable Coverage
- ✓ Expanded Employment Practices Coverage
- ✓ Unlimited Discovery Period for Former Directors & Officers
- ✓ Improved Hammer Clause (90% / 10%)
- ✓ 100% Defense Cost Allocation
- ✓ Independent Contractor Coverage
- ✓ Pro-Rata Cancellations (No Short Rate)



Key Sublimits & Additional Protections

\$150,000 FLSA Defense Costs	\$100,000 Telephone Consumer Protection Act (TCPA)	\$250,000 Immigration Practices Defense	\$50,000 HIPAA D&O Penalties
\$150,000 Derivative Demand Investigation Costs	\$50,000 Incident Crisis Fund	\$50,000 Workplace Violence Counseling Fund	\$50,000 Terrorism Travel Reimbursement



Why This Program Matters for Clubs



Helps attract and retain volunteer board members



Protects personal assets of leadership



Covers defense costs even when allegations are unfounded



Provides consistent terms and pricing stability across chapters



Designed specifically for nonprofit and membership-based organizations

Important Notice

Coverage descriptions are summaries only. Actual coverage is subject to the terms, conditions, definitions, exclusions, and endorsements of the policy.