Organizational Member Benefit

Directors and Officers Liability Insurance

If someone slips and falls, that’s covered by general liability insurance. General liability also covers things like bodily injury and property damage that the insured is legally obligated to pay. But directors and officers (D&O) liability insurance covers the professional decisions concerning not-for-profit organizations like COABE.

Employees and volunteers who are involved with your organization may be putting their personal assets at risk. Chubb has created a comprehensive D&O liability insurance policy specifically to help protect the directors, officers, trustees, employees, and volunteers of your organization.

Potentially covered lawsuits include:

- Discrimination (age, race, gender, disability).
- Wrongful termination.
- Acts beyond authority granted in by-laws.
- Violation of state and/or federal laws (antitrust, IRS, EEOC).
- Suppression of First Amendment rights.
- Failure to properly manage financial affairs.

Even if charges like these are completely without merit, you must still defend yourself.

Could this happen to your organization?

An employee was out of work for six months on disability leave for back surgery. This employee was guaranteed her position when she returned. Upon her return, she refused to go back to her previous position, claiming she had been sexually harassed by her immediate supervisor, which created a hostile working environment.

According to the organization, no formal complaint of sexual harassment was ever filed and the employee resigned of her own volition when no other position was offered to her. The employee sued the organization for lost wages and emotional distress.

The case was decided by a jury and, although the organization was found not liable, defense expenses incurred by the organization reached $70,000.

D&O insurance costs for this program

Chubb provides you with two options, depending on the needs of your organization (and with underwriter approval):

$1,000,000 limit of liability with $1,000 Retention for as low as $ 700
$2,000,000 limit of liability with $2,500 Retention for as low as $1,250

Note: All state surcharges and/or surplus lines taxes are the responsibility of the insured and are not included in this pricing.
Policy features

- **Coverage for all past, present and future directors, officers, trustees and employees, including staff, volunteers and committee members.**

- **Entity coverage built-in.** Chubb’s policy includes coverage for claims made against the organization itself, even if no directors or officers are named in the claim.

- **Employment practices liability coverage.** Our policy helps protect all insured persons of the organization against damages from claims for wrongful termination, harassment, discrimination, unfair hiring/firing practices, mental anguish, and emotional distress. A complimentary practical guide, Employment Practices Loss Prevention Guidelines for Not-For-Profit Organizations, is provided to all policyholders.

- **Duty to defend.** Committed to the fair resolution of claims, Chubb will appoint highly qualified and experienced counsel to defend covered claims, sparing our customers the burden of hiring attorneys and managing the defense.

- **Defense expenses outside the limit of liability.** Defense expenses incurred will not diminish the limit available under the policy. *

- **Personal injury.** Our policy includes coverage for libel, slander, defamation of character, invasion of privacy, infringement of copyright or trademark, plagiarism, and misappropriation of ideas.*

- **Prior acts coverage.** Our policy has no “retro dates” that would limit the coverage for prior wrongful acts, provided the insured has not been notified of a claim or potential claim.

- **Nonmonetary claims.** Defense is provided, though any costs the insured incurs to comply with relief granted is not covered.

- **Spousal liability coverage.** Coverage may be available for claims made against a lawful spouse of an insured person.

- **Multi-year options may be available.** If you qualify, you may be able to purchase a three-year policy at today’s premiums (payable in annual installments).

Chubb offers this coverage through Brown & Brown Empire State, which is committed to helping COABE Organizational Members by providing comprehensive directors and officers liability insurance coverage.

For more information, please call Hillary Heintz at Brown & Brown Empire State: 800-426-1120, ext. 285 or by e-mail: hheintz@bbempirestate.com

Chubb. Insured.

* For most applicants and where permitted by law.

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 new.Chubb.com. Product highlights are summaries only. Please see the actual policy for terms and conditions. Products may not be available in all locations, and remain subject to Chubb’s underwriting criteria. Surplus lines insurance is sold only through licensed surplus lines producers.