



Insurance Workshop – CGCI Convention 2016 – Edited 8/23/16

Policies

General Liability (Insurance participation purchased through CGCI.)

Who is “insured”?

The California Garden Clubs, Inc.

The member clubs that have purchased this insurance

Their executive officers, directors, and volunteers with respect to their liability for the activities of the insured club or activities on its behalf

What are they insured for?

The legal liability of its insureds to others for bodily injury, property damage, due to an occurrence and personal injury and advertising injury. The company has the right and duty to defend the insureds against any suits to which the insurance applies, subject to policy provisions. For more detailed general information about General Liability, see http://mcdanielinsuranceservices.com/index_files/Page955.htm

What are CGCI’s requirements?

The liability insurance coverage is not available to clubs or APSs that own real estate or have exclusive ongoing use of building premises or clubs that have primary use of, or any degree of ongoing maintenance responsibility for gardens or land. In other words, no premises liability exposures are allowed. This could be a rented or owned clubhouse, office, storage area, or other building space (exclusive, ongoing use) or any owned, rented or managed land. (Any degree of management of land constitutes a premises liability.)

Accident (Included in insurance participation purchased through CGCI.)

Who is “insured”? Volunteers and Participants.

What are they insured for? Medical bills not covered by other insurance. Accidental Death and Dismemberment

Directors and Officers (optional, purchased directly through McDaniel Insurance Services LLC)

Who is “insured”?

The incorporated non-profit entity, any past, present or future directors, officers, trustees, employees, volunteers, and/or any member of the staff, faculty, or any duly constituted committee of the insured entity.

What are they insured for?

Wrongful Acts and alleged wrongful acts, broadly worded.

Shared \$2,000,000 Aggregate

What are CGCI’s requirements?

D&O participation is available to clubs and Associate Plant Societies.

Affiliates are not eligible. Clubs with employees are not eligible.

General Liability

What activities are included for coverage?

Normal activities such as meetings, luncheons, volunteering at public gardens (under the direction of the agency), garden tours, field trips, flower and plant shows, sales, workshops, etc. Signs and banners are fine. It is expected, as a nonprofit organization, you will have guests from the general public at your activities.

Normal activities do not include work done on the behalf of others (usually under contract). Premises liability is not included without specifically scheduling on the policy. CGCI has determined premises liability exposures are not eligible for the program. There are many situations that are not immediately clear in this regard and need to be individually evaluated. Please contact McDaniel Insurance Services with questions.

What activities would need to be added?

Additional premium will be charged in the following cases:

- Outings over two days;
- Activities/events out of the usual scope such as:
 - A street fair where the streets are blocked off.
 - An Oktoberfest.
- Activities with more than 1000 in attendance (1001 or more)
- Parades: Underwriting information will need to be gathered and submitted to the underwriter for review for *any* parade activity.
- Work done for others for a fee or trade.

Contractual agreements

Why do we ask for contracts?

- We may need to see the contract to determine the relationship between the club and the other party and the nature of the activity involved and how it relates to insurance coverage.
- There are many different additional insured endorsements and the contract will determine which to use.
- Certain wording is required to be in the contract in order to issue certain endorsements.
- Other insurance requirements may be tucked away in the agreement that are not immediately obvious to the casual observer.

Certificates

- A certificate of General Liability insurance is the only legal proof of insurance coverage.
- The fee you pay is for processing the certificate.
- If the certificate is not correctly requested and we need to reissue it, another processing fee will apply.
- PLEASE provide the fully completed certificate request and the complete agreement to Shane Looper all at once. It becomes very difficult to track the paperwork if it is sent piecemeal and we cannot proceed with processing until we have all of the information.
- If a range is given for the number in attendance, we will use the higher number. The highest probable attendance should be listed on the form. 'Fuzzy' numbers (ie: 500 +) are not acceptable. If you are not sure if an event will have 1000 attendees, but it is a possibility that it may, we recommend that you purchase the additional insurance. It is usually inexpensive.

Endorsements for Additional insured status

- Endorsements are attached to the certificate. There is no additional charge for most endorsements.
- All endorsements must be required by written agreement (except the Additional Insured endorsement for Permits).
- This is not new. We have always stated on the certificate and in our emails that a contract is required but we are now checking the contracts to be sure there are no misunderstandings.

Garden Tours

- Additional insured status for homeowners who offer their homes for tours is not required.
- If additional insured status is desired, the standard agreement suggested by CGCI is required.
- This agreement was developed by and recommended by the Nonprofits' Insurance Alliance of California.
- This is for use with homeowners ONLY. Businesses, government agencies, other nonprofits, are responsible for producing their own contract.
- With the additional insured status, if an injured party wants to put in a claim for an injury, it would then be sent first to the CGCI policy. Without the additional insured status, the homeowner's insurance would be primary. In any case, the homeowner still bears some risk and still has a responsibility for safe conditions.
- Property damage would be the responsibility of the person who damaged the property. In a tour situation, it may be difficult to determine who caused the damage; in which case the homeowner would bear the burden of the loss.

When should Garden Clubs require that others name *them* as additional insureds?

- Independent contractors and other business entities are responsible for insuring their own legal responsibility.
- If a contractor does work for your club, or if you have independent vendors at your event, it is strongly recommended that you request that they name you as additional insured. We recommend the wording "CGCI, [name of your club], and their respective directors officers, and volunteers are additionally insured.
- If a vendor at a show does not have insurance, it can be obtained for \$50, including an additional insured at <https://securevendorinsurance.com/McDanielInsurance> .
- Please feel free to contact McDaniel Insurance Services for help in this regard. We strongly recommend that you submit the certificates and endorsements of your independent contractors for our review. A professional review of the insurance documents is necessary to determine that the paperwork provided to you actually conveys the coverages requested and needed.

Carpools and errands

Clubs should verify that drivers have legal limits of insurance coverage before allowing volunteers to drive on their behalf. Carpools can be encouraged but never assigned. People must be free to decide who they will ride with.

Final Tip – Start Early

Sometimes, handling the insurance takes a surprising amount of time, particularly if contracts have unusual or impossible requirements or if the contract needs to be renegotiated or if there are exposures that need to be quoted and added to the policy. Please make 'asking about the insurance requirements' one of the first things you do when planning an activity.

The above information is for summary information purposes. Please refer to the policy for full information. The policy is the legal governing document and supersedes any information herein. If you have any questions or require additional information, please do not hesitate to call us.