



Directors and Officers Insurance Details

Why should I carry directors and officers insurance?

Volunteer board members are subject to personal liability each time they make decisions that affect the organization. Even when acting in good faith, they are placing their personal assets at risk in the event of a lawsuit. Directors and officers (D&O) coverage provides protection for the board of directors, helps you attract and retain quality board members and provides the organization with a better chance of weathering a wrongful claim. The following are some examples of when D&O coverage may help.

- A youth player is injured during a game, and the hospital costs have put a financial strain on the family. The family then sues the board for financial damages, alleging inadequate rules, supervision or training.
- A donor disagrees with a financial decision and sues individuals of the board for financial mismanagement of the organization.
- A community member with no direct association with the organization sues the board members due to a decision to eliminate a specific program.
- Association members file a lawsuit alleging the recent election of a new executive director did not follow the correct procedures outlined in the association's bylaws.

How can I get directors and officers insurance?

USA Ultimate requires that all local affiliates of USA Ultimate carry directors and officers coverage. We provide the following support and benefit options, only for affiliate and state-based organizations, to help them achieve that requirement:

1. Directors and officers coverage can be purchased through USA Ultimate's carrier broker. There is a simple, one-page application and that's it! The current premium is as low as \$550 per year, depending on organizational details and structures, for a policy with \$1 million coverage.
2. Affiliates who commit to a three-year affiliation term with USA Ultimate *or* have already been USA Ultimate affiliates for three or more consecutive years are eligible to have up to \$750 of their D&O coverage paid for by USA Ultimate, as long as the coverage is secured through USA Ultimate's carrier broker.