

Association Liability Insurance

The Risks and Responsibilities of Associations

Despite the non-profit or charitable nature of many associations, the risks they face have increased significantly in recent years. In addition, members of the association's board of management or management committee carry **personal responsibility** for their actions and, in certain circumstances, where they fail to act.

Increased Responsibility

In an era of increased responsibility and accountability, many associations are now discovering that they can incur legal liability through the services that they provide to their members or to members of the public.

The Benefits of Association Liability Insurance

Protection for the Association

Association Liability Insurance provides protection to the association against legal liability which it may incur through the conduct of its activities or the provision of services.

Association Liability Insurance provides cover for settlements, compensation and/or damages awarded against an insured. In addition, it provides cover for the significant legal costs and other expenses associated with defending legal actions.

Protection for the Board of Management

As well as protecting the association against the threat of litigation, Association Liability Insurance also protects the directors, officers and committee members of the association against legal liability that they may incur **personally** through the performance of their duties to the association.

Financial Protection

Litigation today is often expensive and lengthy and, given the limited resources of most associations, such action could cause financial devastation. Association Liability Insurance can protect against the financial consequences of litigation by funding the defence of an action "up front".

Specialised Legal Representation

Litigation involving matters such as allegations of negligence or breach of duty is invariably complex and can often involve individuals defending their personal reputations. It is imperative that insured's have access to specialised and highly qualified legal practitioners who will represent them and protect the interests of themselves and their association.

Insurance Protection

The increased risks and responsibilities faced by associations and their management committees have highlighted a growing need for an insurance product to afford protection against the personal and financial strain of litigation or prosecution.

In response to this growing need for protection QBE has developed an **Association Liability Insurance** product designed to meet the contemporary needs of clients.

Product Coverage

QBE Association Liability Insurance affords automatic cover for:

- Civil proceedings
- Successful defence of criminal proceedings
- Trade Practices actions
- Occupational Health and Safety actions
- Libel and slander
- Infringement of copyright
- Fraud and dishonesty
- Loss of documents
- Insured v Insured
- Employee actions

QBE Association Liability Insurance can also be endorsed to include cover for:

- Outside Directorships
- Trusteeships

Policy Features

QBE Association Liability Insurance incorporates the following policy features:

- Advancement of defence costs
- Additional reporting period
- Severability and non-imputation
- Extended definition of Insured

Peace of Mind

Naturally, QBE appreciates that associations and their management will take appropriate precautions to minimise the threat of litigation or prosecution, however the potential risks faced by associations cannot be ignored.

QBE Associations Liability Insurance provides associations with peace of mind in the knowledge that should they be faced with the prospect of litigation or prosecution, QBE will afford them every possible assistance and support in protecting the assets and reputation of both the association and those responsible for its management.