

Date: June 8, 2005  
To: Regional Volleyball Association Leadership  
From: Margie Mara, Senior Director, USA Volleyball  
Subject: Association Liability Insurance (a.k.a. Directors & Officers Liability)

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**IMPORTANT MESSAGE**

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Please read carefully this information just received from Mike Price of ESIX, our insurance broker, and share it with the clubs in your region.

This is to recommend that you explore securing Directors' & Officers' Liability, also referred to as Association Liability insurance, for your individual Club or Regional Volleyball Association. This coverage is often confused with General Liability or Business Liability Insurance, in spite of the coverage differences between the two policies.

As you may know, there exists potential personal liability against directors, officers, employees and volunteers of your non-profit organization for activities, responsibilities and decisions associated with your Club or Region. Unlike General Liability insurance, Association Liability insurance (which is also known as Directors & Officers Liability insurance) provides protection for your personal assets in the event you are held personally liable for any wrongful act, error or omission in your capacity as a director, officer, employee or volunteer. It also provides protection for Non-profit Clubs or RVA, if named as a defendant in a lawsuit.

Our general observation is that many of our Clubs and RVAs may not be properly insured for these potential exposures. In order to address this issue, ESIX has negotiated a program that offers broad protection for this exposure at very competitive rates. We endorse and sponsor this program and have negotiated coverage that is customized for our local and regional organizations. An electronic platform has been created to make application and payment process easy and quick. Briefly, a \$1 million limit of protection may be purchased by each individual Club or RVA to protect all directors, officers, employees and volunteers of that Club or RVA for \$600 annually if your gross annual receipts are under \$100,000, or \$975 annually if your gross annual receipts are between \$100,000 and \$250,000 (assuming no pending or prior loss activity). Regions with annual receipts in excess of this limit will be given an individual quote.

Unlike previous plans, this coverage will be effective for 12 months from when you purchase this coverage, regardless of the date coverage is purchased. Those of you who currently have D&O insurance are advised to apply for coverage to begin November 1, so as not to duplicate what you already have in place.

We highly encourage each Club and Regional Volleyball Association to purchase this insurance protection. You can do so by visiting <http://www.amsportsinsurance.com>. You will find extensive information regarding your personal risks; hypothetical claims scenarios, a coverage description, and other information regarding this important protection there as well.

The link to the D & O insurance information and application can also be found on the private ROD/RVA site and at <http://www.usavolleyball.org/AboutUSAV/Corporate.asp>.