

The Hartford Insurance Company has issued a special multi-peril insurance policy that covers the AACA and all of its Regions and their Chapters. The policy limits are \$1,000,000 on the basic policy and \$5,000,000 excess on an umbrella policy, for total limits of \$6,000,000.

The AACA and all members, officers and directors are insured with respect to their bodily injury and property damage liability while performing any activities on behalf of the AACA. This also includes those members acting on behalf of Regions and Chapters. The coverage is applicable for all locations of the insured in the United States of America, its territories or possessions and Canada. All events, such as a parade sponsored or alleged to be sponsored by the AACA, are covered for liability for both bodily injury and property damage.

The insured are covered for occurrences happening on any club property that is rented, leased or used by the club for activities in which the club may participate. This includes but is not limited to meetings, dances, tours, picnics, flea markets, banquets, shows, shopping centers, parades and offices used by the club.

The insurance policy specifically includes coverage for the following:

Products liability: This coverage includes the dispensing of food at club events or selling or giving away products such as articles of clothing, jewelry, and toys.

Personal injury liability: The need for this coverage arises out of an offense such as libel, slander or defamation of character, toward an officer, director, or member while acting on behalf of AACA.

Non-ownership auto liability: This coverage is designed to protect the club when a member is using a vehicle not owned by the club, in connection with club activities. NOTE: Each member must maintain adequate Personal Auto Liability Insurance on all of his or her vehicles, including antiques, classics and modern vehicles.

Fire legal liability: This coverage protects the club up to \$50,000 on buildings being used, but not owned by the club, for activities such as meetings, banquets, and dances.

Advertising offense liability: This coverage will protect the AACA and its Regions and Chapters for any advertising liability involving libel, slander, defamation, violation of right of privacy, unfair competition, or infringement of copyright.

Contractual liability: If the club rents an area, such as for a show, they may be requested to provide liability for the people from whom they are renting. The insurance company will protect the club's liability under the contract. All contractors' requests (hold harmless clauses) should be referred to J.C. Taylor, Inc. for review.

Non-owned water craft liability: This coverage protects the club from any suits that are brought as a result of accidents that happen during an event when the club hires a boat for an outing. This coverage applies for boats under 26 feet. Coverage for events involving water craft over 26 feet (Non-Owned water craft) should be referred to J.C. Taylor, Inc. for underwriting approval.

Host liquor law liability: This section protects the club as respects the liability of the club arising out of the giving or serving of alcoholic beverages at club functions, provided the club is not engaged in the business of selling or serving alcoholic beverages.

The club may participate in any activity, which a club usually does, whether it be a commercial enterprise for a fee such as charging admission to enter a flea market or show or whether it is free. Charging a fee for rides in an auto at club functions is discouraged since almost all personal auto policies contain an exclusion for this liability exposure.

When a Region or Chapter is going to hold an event at a fairgrounds, shopping center, farm, etc., the owner usually asks for certification of insurance showing that the club has adequate insurance. If this occurs, contact National Headquarters. Provide the proper identification of the location and the scheduled dates for which coverage is needed. A Certificate of Insurance will be forwarded to the President of the Region or Chapter. Do not contact the insurance carrier directly.

AACA Region and Chapter officials are provided liability insurance that protects their Region/Chapter directors, officers and board members for suits alleging wrongful acts on the part of the local club. The club encourages Regions and Chapters to assist with the cost of this policy by paying a nominal yearly fee. This payment is not mandatory. A wrongful act is defined as any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by directors, officers or trustees in the discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of their being directors, officers or trustees of the Region or Chapter. If a Region or Chapter is interested in obtaining this coverage, contact should be made through National Headquarters.

This summary is furnished to answer many questions that normally arise through the functions of the AACA and its Regions, Chapters and members. Further information may be obtained by contacting National Headquarters. Where necessary, National Headquarters will secure the information from the insurance carrier. In any event, it should be remembered that this is a brief description in non-legal terms so that it can be better understood. As such it does not replace the policy, and the actual contract language will govern the scope and the limits of coverage involved.