

Directors' and Officers' Liability Insurance Program

Offered at 30% Premium Reduction to Volunteer Centres Nationwide

KNOW THE LEGAL RISKS OF BEING A VOLUNTEER BOARD MEMBER

According to the 2007 Canada Survey on Giving, Volunteering and Participating, about 9% of Canadian volunteers serve on boards and committees compared to 36% of volunteers serving on boards in 2004. Despite their commitment to countless causes and organizations many board members may be unaware of the legal ramifications of their volunteer work and the possibility of being held personally liable. This liability applies to all non-profit organizations including clubs, associations, societies, leagues, committees and charities.

Directors and officers may be held personally liable for claims arising from:

- Activities of volunteers and/or staff in the name of the organization
- Employee discrimination
- Wrongful dismissal
- Breach of duties
- Negligent management of employee benefit plan

Claims may be made by:

- Volunteers
- Employees
- Government bodies
- Suppliers
- Customers
- General public

Coverage

You choose from \$250,000 to \$5,000,000 limits of coverage

Premium

- Preferred **30% discounted rates** to Volunteer Centres throughout Canada
- Based on annual budget/revenue

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

A common risk management measure, and one that is particularly important in minimizing directors' and officers' personal liability, is that the Volunteer Centre carries Directors' and Officers' Liability Insurance. This covers the costs that the directors and officers of a Volunteer Centre might become legally obligated to pay as a result of damages to another party.

In order to assist Volunteer Centres with Directors' and Officers' Liability insurance, Volunteer Canada has partnered with Aon Reed Stenhouse Inc. to offer an affordable policy to all non-profit Volunteer Centres who are members of Volunteer Canada.

See the Membership section of the Volunteer Canada website at www.volunteer.ca to download an application or contact Aon directly to receive your copy.

Legal Risks

The purpose of this brochure is to raise awareness of the legal risks facing directors and officers and to offer directors and officers and Volunteer Centres some practical ways to minimize risks. It is not intended to deter people from volunteering as board members.

Risk and responsibility are facts of life, and every activity involves a certain amount of risk. The volunteer director or officer needs to understand the risks involved in the position so that he/she can act reasonably and appropriately. Volunteer Centres must ensure that volunteers are protected as much as possible from risk in order to protect the Volunteer Centre's quality of service, reputation and volunteer management expertise.

PREFERRED 30% DISCOUNTED RATES TO VOLUNTEER CENTRES

(EXCLUSIVE TO MEMBERS OF VOLUNTEER CANADA)

By joining Volunteer Canada, all participants are subject to significant premium savings. Those organizations whose operation budgets/revenue are under \$5,000,000 per year have pre-set costs as outlined in the chart and are required to complete a simple two-page application form. Organizations with operating budgets/revenue that exceed \$5,000,000 per year are also subject to significant premium savings; please note that the premium is not predetermined and in order to provide a quote, completion of an extended application is required.

Budgets/revenues under \$5,000,000 per year

See the Membership section of the Volunteer Canada website at www.volunteer.ca to download a two-page application or contact Aon directly to receive your copy. Send both the completed application and full payment to Aon at the address supplied. Upon receipt and acceptance of completed application and payment, Aon will issue a certificate of insurance and forward it to you along with a copy of the policy wording.

Budgets/revenues over \$5,000,000 per year

See the Membership section of the Volunteer Canada website at www.volunteer.ca to download an extended application or contact Aon directly to receive your copy.

Payment details/Shared Liability Limit

The common expiry date of the program is March 31st. Please note that the costs collected are non-refundable and premiums are not subject to pro-rata costs. The full annual cost is due for those certificates commencing March 31st through September 30th and half of the annual cost is due for coverage commencing October 1st through March 31st. Please note there are limited excluded classes of business.

Limits per Certificate

Annual Budget/Revenue	\$500 K	\$1 MM	\$2 MM	\$3 MM	\$5 MM
\$0 - \$50,000	\$255	\$321	\$521	\$654	\$920
\$50,001 - \$100,000	\$388	\$521	\$654	\$753	\$1,053
\$100,001 - \$250,000	\$491	\$644	\$987	\$1,201	\$1,951
\$250,001 - \$500,000	\$554	\$708	\$1,094	\$1,321	\$2,166
\$500,001 - \$750,000	N/A	\$794	\$1,214	\$1,450	\$2,381
\$750,001 - 1,000,000	N/A	\$880	\$1,335	\$1,591	\$2,595
\$1,000,001 - \$2,000,000	N/A	\$1,051	\$1,600	\$1,909	\$2,810
\$2,000,001 - \$3,000,000	N/A	\$1,265	\$1,909	\$2,286	\$3,025
\$3,000,001 - \$5,000,000	N/A	\$1,514	\$2,286	\$2,741	\$3,238
Over \$5,000,000	Subject to Underwriting				

* Please note: Included in the insurance cost above is a \$25 administration fee. All applicable taxes will be added to the policy costs.



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**VOLUNTEER
BÉNÉVOLES**
C A N A D A

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