

Why does my parent group need insurance?

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Just like a business, your Parent Group is exposed to certain risks of which you may or may not be aware.

You may do everything you can to prevent something from happening to your Parent Group, but in reality, no one can guarantee that things are going to run smoothly all of the time. Parent Groups are not immune from liability. Your Parent Group insurance policy will protect not only the assets of the Parent Group but the personal assets of its members.

In the event of a lawsuit, your Parent Group insurance will also pay attorney fees to defend you, whether the lawsuit has merit or not. There are four separate types of coverage that your Parent Group needs to be aware of:

1 **General Liability with Medical Payments**

General Liability coverage protects you from lawsuits if someone was injured at one of your organization's activities and held you responsible. The liability limit for a lawsuit is \$1,000,000 or \$2,000,000, with no deductible. Some activities covered include skating parties, fall carnivals, bounce houses, dunking booths, fun runs, auctions and more. Injuries resulting from transportation are not covered.

General Liability coverage also has a separate component that gives insureds access to a minimum of \$5,000 in medical payments, even if no lawsuit has been filed, for injuries sustained at one of your organization's activities. Because the Medical Payments coverage is a separate component of the GL policy, outside of a lawsuit, fewer exclusions apply. Under the Medical Payments component, coverage for injuries involving mechanical rides, school buses, automobiles, and watercraft are not specifically excluded. A Medical Payments limit of \$5,000 is included in every General Liability Policy. Options for increased Medical Payments limit are \$10,000, \$25,000, and \$50,000, with no deductible.

Media Liability – We also offer Social Media Liability Coverage as a supplement to your General Liability policy. This coverage is designed to protect you from liability in the event you accidentally misuse or disclose information on your

website or other social media site. This include misuse of the logo, copyright, pictures, confidential information and other misrepresentations or misappropriations.

2 Bond

Bond coverage protects your money. It covers anyone who your organization trusts with the money whether it's a President, Treasurer, board member, volunteer or courier. If that person embezzles (runs off) with your money, this coverage would replace those missing funds.

Standard bond limits are \$10,000, \$25,000, and \$50,000, with a \$250 deductible.

3 Inland Marine (Business Personal Property)

This coverage protects your raffle merchandise, auction items and fundraising supplies while these items are in your possession. This coverage also protects any personal property of your organization such as popcorn machines, snow cone makers, school store supplies, emergency relief supplies, and more.

The Inland Marine coverage limits are \$10,000, \$25,000, and \$50,000, with a \$250 deductible.

4 Directors & Officers Liability

Officers liability coverage protects the organization from lawsuits for "wrongful acts." If someone sued the officers of your organization for mismanagement, misrepresentations, dissemination of false or misleading information or inappropriate actions, this coverage would pay to defend you.

This coverage is also referred to as Directors & Officers Liability (D&O). The coverage limit is \$1,000,000, with a \$1,500 deductible.

Need Coverage?

Everything you need to know to make a decision about parent group coverage.

Download our complete risk management guide.

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