



Why you need Community Association Director and Officer Professional Liability Insurance

Why Is Coverage Important?

- ▶ As a member of the board on your community association, your personal assets are vulnerable based on your decisions and actions enforcing the governing documents, even long after you have left the board
- ▶ Over 60 percent of the claims against the board of a community association are related to non-monetary issues and can generate six figure defense costs and persist over many years
- ▶ Community associations have an annual budget that is often less than the average cost to defend a claim closed by litigation – often beyond the ability of the board to assess members to cover!

What Coverage Are We Offering?

COVERAGE FEATURES	USLI	COMPETITORS
No exclusion for failure to maintain insurance claims (where available)		
Defense for breach of contract claims		
Defense costs for non-monetary claims		
Defense outside the limit of liability – The cost to defend any covered litigation will not reduce your limit of liability		
Lifetime Occurrence Reporting Provision – Unlimited reporting extension for former directors and officers who are not on the board when coverage is cancelled or not renewed		
Third party discrimination and third party harassment coverage (available for most classes)		
Employment practices liability included for no additional premium for 10 employees or less		
Automatic coverage for the property management company as an insured		
Business Resource Center – free HR hotline with unlimited number of calls and no time limits plus discounted HR services such as background checks and online HR training modules		
Policyholders have access to many services through our Business Resource Center that will assist in growing and protecting their businesses		

If you have elected not to purchase community association directors and officers liability insurance, please read and sign below.

1. We acknowledge that our agent has fully explained the potential directors and officers liability risks associated with the operation of our organization.
2. We understand that we have the option of purchasing Community Association Liability Insurance that can protect our organization against the potential for significant monetary loss, including, but not limited to, cost of defense against such claims. We further acknowledge that our agent has recommended that we purchase the coverage and has provided us with one or more quotes for same.
3. We understand that by electing not to purchase such insurance, we are foregoing valuable protection which means our organization will be responsible for paying the cost of defending and settling any and all directors and officers liability claim(s) made against us.

Name _____ Title _____

Date _____

Signature _____

This document does not amend, extend or alter the coverage afforded by the policy. For a complete understanding of any insurance you purchase, you must first read your policy, declaration page and any endorsements and discuss them with your agent. A sample policy is available from your agent. Your actual policy conditions may be amended by endorsement or affected by state laws.