



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

TAPAZ Project Insurance 101

Presented to: TAPAZ and Their Projects

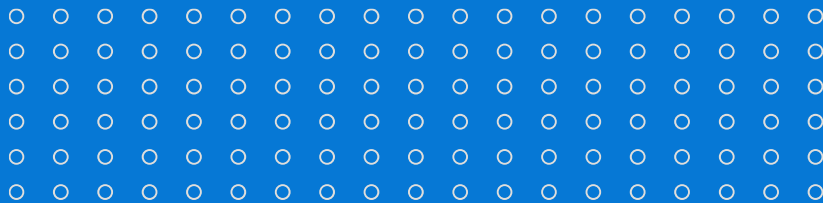
10/20/2023

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Agenda

- 1 HUB Overview
- 2 TAPAZ Insurance Program Details
- 3 Closing
- 4 Additional Coverages Recommended

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HUB Overview



HUB Overview



It's a compelling story.



13,000+ Employees



97% Client Retention
EB and P&C



1 Million+ Clients



475+ Locations
All across U.S. and
Canada

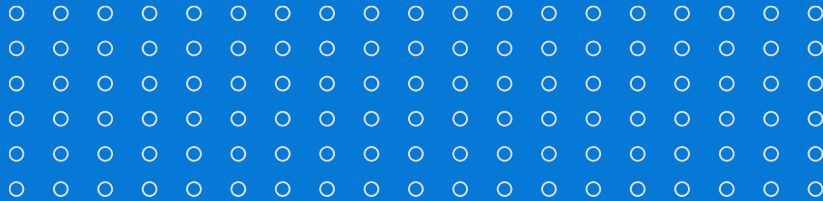


5th
Largest insurance broker
in the world



Largest Privately Held
broker in North America

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TAPAZ Insurance Program Details



What is Covered?

What Does it Cover?

- Those claims covered by a General Liability policy such as third-party allegations of injury, slips and falls, libel, slander, or at fault accidents while using a hired on non-owned vehicle. Coverage may be used to comply with contractual obligations such as a lease or grant.

General Liability Limits:

- \$1,000,000 Per Occurrence, \$2,000,000 in the Aggregate
- Advertising and Personal Injury, \$1,000,000 Per Occurrence
- Damage to Rented Premises, \$1,000,000 Per Occurrence
- \$1,000,000 Hired and Non-Owned Auto Liability
- \$5,000,000 Umbrella, extending over all of the above coverages

Which Insurer Provides Coverage?

- CHUBB (Federal Insurance Company), A++ (Superior) XV Rated

Who do I notify in the event of a potential claim?

- TAPAZ. From there, TAPAZ and HUB will connect on claim submission strategy. Forward any documents and information on claim at time of notification, including dates, times, events, and individuals involved.

When do I Notify TAPAZ?

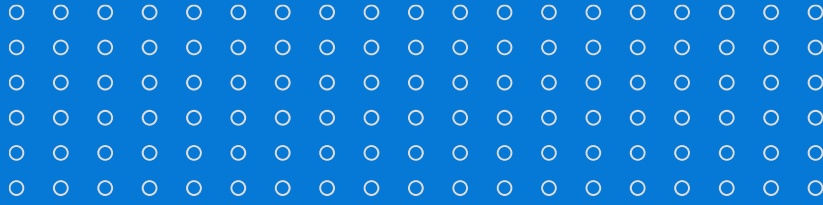
- When you receive written or verbal allegations of bodily injury or property damage from a third party. I.E. a letter from an attorney or third-party alleging injury as a result of non-profit operations.

What is Not Covered?

- Business Personal Property Insurance unless specifically requested by the project.
- Business Income and Extra Expense unless specifically requested by the project.
- Abuse or Molestation
- Professional Liability
- Directors and Officers Liability
- Employment Practices Liability
- Workers Compensation
- Cyber Liability
- Employee Theft
- Aircraft, Autos, or Watercraft
- Liquor Liability
- Contractually Obligated Risk
- Employer's Liability
- Intended or Expected Injury
- Breach of Contract
- Publications with known falsity
- Prior offenses
- Pollution

Thank you.

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Additional Coverages Recommended



What Does it Cover?

- Claims by Third Parties of bodily injury, property damage, libel or slander, personal injury, and associated defense costs

What are Typical Limits of Coverage?

- \$1,000,000 Per Occurrence, \$2,000,000 Aggregate for a small non-profit

What is a Claim Example?

- An individual or client trips and falls, injuring their head at a location occupied by the non-profit. They sue for damages.
- An employee or volunteer communicates false information about an individual, resulting in financial or personal injury. The injured party sues for damages.

What is the Average Cost?

- For small, new non-profits with low risk operations, \$500 to \$1,500 annually.
- Higher risk small, new non-profits will pay \$1,500 to \$3,000 annually for this coverage.
- Premiums are dependent upon operations, square footage occupied, annual revenues, or annual payroll.

Automobile Liability (Hired / Non-Owned)

What Does it Cover?

- If an employee or volunteer has an accident while operating their own vehicle in service to the non-profit, your organization can be held accountable and sued for damages. Policy will pay for injuries to third parties as well as cost to defend.

What are Typical Limits of Coverage?

- \$1,000,000 per occurrence

What is a Claim Example?

- An employee leaves the office to run an errand for the non-profit. On their way back, they rear-end a vehicle. The injured party alleges a neck injury and a formal lawsuit is filed against the driver and the non-profit. In this situation, the driver insurance will defend them, while the Hired and Non-Owned Auto Liability will defend the non-profit.

What is the Average Cost?

- For a small non-profit, it is best to package this coverage with General Liability insurance. The cost when packaged ranges from \$300 to \$1,000 annually. Standalone policies exceed \$3,000 annually.

Abuse or Molestation Insurance

What Does it Cover?

- Allegations of abuse, sexual harassment, or molestation by third parties and associated defense costs.

What are Typical Limits of Coverage?

- \$1,000,000 per claim and aggregate

What is a Claim Example?

- After a consultation with a client of the non-profit where there was one-on-one interaction, a suit is served against the individual and non-profit alleging molestation.

What is the Average Cost?

- For a small non-profit, it is best to package this coverage with General Liability insurance. The cost when packaged ranges from \$750 to \$3,000 annually. Standalone policies exceed \$5,000 annually.

What Does it Cover?

- Physical Damage to Property such as Buildings, Business Personal Property, Business Income, and Extra Expense. Applies if property is owned by non-profit, or if the non-profit is obligated to insure such property owned by a third party (think Triple Net Lease). Extra Expense coverage provides cost to relocate or lease a new space following a covered claim.

What are Typical Limits of Coverage?

- For a small non-profit who owns no buildings, \$50,000 is standard. Business Income and Extra Expense should provide unlimited coverage for 12 months.

What is a Claim Example?

- A building which the non-profit leases catches fire. The non-profit loses \$25,000 of desks and computers and needs to find a new space to operate out of. The policy will respond and pay for \$25,000 of coverage (less deductible) as well as the cost to relocate and lease a new space.

What is the Average Cost?

- Depends on amount of owned property. Typically, \$300 to \$2,000 for a small non-profit. If the non-profit is in a fire zone coverage can be more expensive.

Workers Compensation

What Does it Cover?

- Injuries to employed persons per respective state regulations as well as Employer's Liability contributing to said injury.

What are Typical Limits of Coverage?

- Part A Workers Compensation: Unlimited
- Part B Employer's Liability: \$1,000,000

What is a Claim Example?

- An employee is diagnosed with Carpal Tunnel as a result of typing volume at work.
- An employee slips and falls at their workplace.
- An employee is assaulted by a third party during work.

What is the Average Cost?

- Premium is dependent upon gross payroll during an annual term as well as job duties of staff. For a small non-profit, \$300 to \$1,500 is appropriate.

Volunteer Accident Benefit

What Does it Cover?

- Injuries to volunteers including loss of life, paralysis, loss of limb, loss of hearing, etc. excess any payable benefits of the injured persons personal health insurance.

What are Typical Limits of Coverage?

- \$100,000 for Accidental Medical Expenses
- \$50,000 Accidental Dismemberment Benefit
- \$25,000 Accidental Death Benefit
- \$50,000 Total Paralysis Benefit

What is a Claim Example?

- A volunteer working on behalf of the non-profit is hit by a vehicle, suffering medical expenses as a result. Their health insurance had lapsed a year prior, leaving them without coverage. The non-profit makes available the Accident policy to help pay for expenses in good faith.

What is the Average Cost?

- Premium is dependent upon annual volunteer count. \$2.91 annually per volunteer for non-profits smaller than 300 volunteers, subject to \$300 minimum premium. Over 300 Volunteers premiums range from \$300 to \$1,500 annually.

Directors and Officer's Liability

What Does it Cover?

- Coverage for Directors and Officers (D&O) of the non-profit; their liability as a D&O.
- Reimbursement to the organization for a contractual obligation to indemnify D&O's that serve on a board.
- Protection for the organization itself.

What are Typical Limits of Coverage?

- \$1,000,000 per claim and aggregate, \$5,000 deductible for a small non-profit

What is a Claim Example?

- Failure to compile and preserve financial records
- Alleged discrimination in mission or admission to non-profit
- Exceeding of your authority per the charter of your non-profit

What is the Average Cost?

- Depends on non-profit's size
- Ranges from \$700 to \$2,000 for small non-profits

Employment Practices Liability

What Does it Cover?

- Allegations of discrimination, wrongful termination, underpayment of wages, retaliation in employment including defense costs.

What are Typical Limits of Coverage?

- \$1,000,000 per claim and aggregate, with a \$5,000 deductible

What is a Claim Example?

- A non-profit fires an employee and receives notice a week later from their attorney claiming discrimination. The attorney manages to make a case that discrimination occurred. Defense costs and damages are paid by the insurer.

What is the Average Cost?

- Best packaged with D&O insurance.
- Depends on number of employees and which states they are in.
- \$750 to \$1,500 annually.

What Does it Cover?

- Data Breaches, Hacking, and Extortion of IT systems of the non-profit by third parties.

What are Typical Limits of Coverage?

- \$100,000 to \$1,000,000 for a small non-profit.

What is a Claim Example?

- A hacking group targets a non-profit, compromising their employee and volunteer records. They threaten to release the information to the web if they are not compensated.

What is the Average Cost?

- Depends on operations of non-profit and annual revenues.
- Ranges from \$750 to \$2,000 annually.

Professional / Errors and Omissions Liability

What Does it Cover?

- Allegations and associated defense costs of professional malpractice or errors, such as performance disputes, service mistakes, or mistreatment of conditions.

What are Typical Limits of Coverage?

- \$500,000 to \$1,000,000 per claim and aggregate

What is a Claim Example?

- A counselor provides incorrect guidance or advice causing injuries to a third party. The third party hires an attorney who then serves a suit against the non-profit.

What is the Average Cost?

- \$750 to \$2,000 for a small non-profit. Pricing depends on if organization provides professional services such as healthcare or counseling. Best packaged with General Liability.

Comprehensive Crime / Employee Theft

What Does it Cover?

- Theft of funds by employees or board members, as well as third parties.

What are Typical Limits of Coverage?

- \$100,000 to \$500,000 for small non-profits

What is a Claim Example?

- It is discovered that an employee with access to banking information has stolen \$50,000.
- A third party impersonates a Director and manages to have funds transferred to their account by an employee or bank.

What is the Average Cost?

- \$500 to \$1,500 for a small non-profit. Best packaged with Directors and Officers policy.