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General Information Sheet – Club Management Liability Insurance

When you give your time and energy to a club, you want to make certain you are not risking your personal or the organisation’s financial security. That’s why you need a Club Management Liability insurance policy. It provides protection for you and the organisation in the event of a legal action.

This insurance can help protect against the legal exposures and wrongdoings that clubs and associations face every day, including: discrimination, harassment, wrongful termination, inefficient administration or supervision, libel and slander, misrepresentations and employee theft.

What coverage is provided within a Club Management Liability policy?

Directors and Officers Liability – coverage for any wrongful act including a criminal charge, defamation, civil proceeding or fraudulent act.

Employment Practices Liability – includes coverage for wrongful dismissal, discrimination or unlawful acts in the workplace.

Employee Theft Coverage – coverage in the event an employee or voluntary worker has been stealing money or items of value from the club/ association.

Examples of Club Management Liability Claims

Directors and Officers Liability – legal action is taken against the club for defamation of a club member. This came about as a result of information printed in the monthly club newsletter.

Employment Practices Liability – legal action is taken against the club for the unfair dismissal of a senior coach.

Employee Theft Coverage – the club treasurer has been stealing money from the accounts over a period of time and the club now needs to claim to recover the losses.

How do I make a Club Management Liability Claim?

If an incident occurs that you believe may give rise to a Club Management Liability Claim, or you discover that a loss has occurred, it is essential you make contact with Marsh immediately.

Important Note

The Directors and Officers and Employment Practices Liability sections of this policy are written on a ‘Claims Made Basis.’ This means that coverage is provided for claims that are notified to the insurer during the period of cover.

Important Information

A Club Management Liability policy has important exclusions that you should be aware of including:

- Fraud – any claim in consequence of a deliberate fraudulent act
- Insolvency – financial impairment of the insured organisation
- Known dishonesty
- Losses sustained from accounts at banks where only one signatory is required for transactions

Who is generally covered

- Elected director/s
- Elected or appointed officer/s
- Employee/s
- Committee Member/s

Hot tip

It is strongly recommended that you implement a programme to ensure that all claims are identified and notified immediately and within the policy period to avoid the possibility of a claim being denied.

Did you know

You are unable to lodge a Club Management Liability claim if you notify the insurer after the policy period has expired.

Don't forget

Club Management Liability insurance is **ONLY** available to incorporated entities! If your club is not incorporated, individual committee members run the risk of exposing their home, car and financial assets.



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