

Product Highlights

For 30+ years, nonprofits have had their own coverages, customized to their specialized insurance needs. The NIA NONPROFITS OWN® brand comprises the most comprehensive coverages available to nonprofits.

Product highlights are summaries of key features only. Please refer to actual policy language to understand controlling terms and conditions of NIA’s insurance products.

[BLOCKS, Inc.](#)
Silverdale, WA



- Commercial General Liability Coverage 2
 - ▶ Liquor Liability
 - ▶ Employee Benefits Liability 4
- Damage to Property of Others 5
 - Additional Coverage
- Directors and Officers Liability with Employment Practices Liability..... 6
- Directors and Officers Liability without Employment Practices Liability 7
- Improper Sexual Conduct and Physical Abuse Liability 8
- Social Service Professional Liability 9
- Business Auto Liability..... 10
- Non-owned Auto Physical Damage Reimbursement (Employee Vehicles)..... 11
- Non-owned/Hired Auto Liability 13
- NIAC Property Coverage..... 14
 - ▶ Inland Marine
 - ▶ Employee Dishonesty
- Workplace Violence / Crisis Incident / Outside Aggressor 16
- ANI Property Coverage written through NAE..... 17
 - ▶ Inland Marine
 - ▶ Employee Dishonesty
- Participant/Volunteer Accident Coverage written with QBE 19
- Umbrella..... 20

Commercial General Liability Coverage

Highlighted Features

- Defense fees and costs outside the policy limits when defending the insured
- Occurrence limit \$1 million, aggregate limits to \$3 million
- Umbrella limits to \$5 million available, subject to underwriting approval
- Occurrence Form (CG 00 01)
- Prior Acts Coverage available
- Blanket additional insured endorsements
- Fundraiser endorsement included
- Liquor Liability Form included
- Medical payments limit \$20,000 (an increase over the \$5,000 or \$10,000 limits commonly offered)
- Damage to Property of Others in Care, Custody, or Control limit \$25,000 with \$25,000 defense costs
- Newly formed entities covered until end of policy period
- Automatic liberalization
- Damage to premises rented limit \$500,000 with limits up to \$1 million available
- Client damage to employee's or volunteer's owned auto limit \$1,000 occurrence/\$3,000 aggregate
- Client damage to property of others limit \$5,000 and occurrence/\$25,000 aggregate
- Identity Theft Expense limit \$30,000
- Terrorism Travel Reimbursement limit \$30,000
- Kidnap Expense limit \$50,000
- Executive Recruitment Expense limit \$50,000
- Bail Bonds \$5,000 and Lost Earnings up to \$1,000/day
- Non-owned Watercraft less than 75 feet long
- Workplace Violence Counseling limit \$50,000
- Unsatisfied Contributions limit \$25,000
- Bodily Injury includes mental anguish
- Security Event Costs and Expenses limit \$50,000
- Cyber Extortion limit \$50,000
- Crisis Management and Reward Expense limit \$25,000
- Outside Aggressor Expenses limit \$50,000
- Network Security Reimbursement limit \$10,000
- Loss of Electronic Data and/or Protected Health Information limit \$50,000

Coverage in Action

Commercial General Liability

A nonprofit provides janitorial work opportunities to disabled clients. On one occasion, a client forgets to place warning cones while mopping an office floor, and a passerby slips and falls on her way to a restroom, suffering a torn ligament in her right knee and right wrist sprain. The nonprofit has the right protocols in place, which includes the use of warning cones, but the client simply forgets to use them.

Liquor Liability

A nonprofit hosting a fundraising event is selling tropical-themed alcoholic drinks to raise funds. Unfortunately, one of the attendee's becomes intoxicated. If the attendee injures themselves or another person attending the event, this coverage would kick in.

Employee Benefits Liability

Endorsement to Commercial General Liability Policy

Highlighted Features

- No deductible
- Prior Acts Coverage available
- Occurrence limit \$1 million and aggregate limits to \$3 million
- Claims-Made ISO Form (CG 04 35)

Coverage in Action

A nonprofit neglects to enroll its employee and her spouse in the group cancer policy, though the nonprofit was collecting premium from the employee's paycheck. This does not become evident until the employee's husband is diagnosed with cancer. The event triggers the Employee Benefits Liability coverage, and NIA is able to pay the benefits due under the cancer policy pursuant to the terms of our Employee Benefits Liability Coverage form.

Damage to Property of Others

– Additional Coverage

NONPROFITS OWN® Enhancement Endorsement to COMMERCIAL GENERAL LIABILITY

Highlighted Features

- Limit \$5,000 occurrence/\$25,000 aggregate
- Covers damage to property of others when damage is a result of act committed by a “client” of the member
- Covers sums that member is legally obligated to pay for damage to property when damage is not committed by a “client” of the member

Coverage in Action

A nonprofit drug rehabilitation program is renting space in a building. After a week away during a nature trip to aid in the clients’ recoveries, the nonprofit staff returns to find the building had been vandalized during a break-in. Although it was found that neither the nonprofit staff, volunteers, nor clients caused the damage to the rented building, the nonprofit is held legally liable. The expenses the nonprofit incurred for the property damage are covered under their Damage to Property of Others under Additional Coverage.

Directors and Officers Liability with Employment Practices Liability

Highlighted Features

- Deductible options available including \$0
- Policy limit \$1 million with aggregate limits to \$2 million available
- Umbrella limits to \$5 million available, subject to underwriting approval
- Defense costs outside the policy limits
- Prior Acts Coverage available
- Event-trigger form
- Broad definition of member-insured that includes the nonprofit organization as well as directors, trustees, officers, employees, volunteers, committee members, interns, students-in-training, and spouses
- Coverage extends to third-party harassment
- Attorney fees and expert fees awarded pursuant to a contract, statute, or law are included as damages
- Fiduciary Liability Coverage included at full policy limit
- ERISA sublimit of \$250,000 included with \$500,000 available for additional charge
- Breach of Contract limit \$250,000 for defense
- Wage and Hour law violation limit \$250,000 for defense
- Punitive damages covered in states where insurable
- Individual member vs. individual member coverage included
- Broad Employment Practices Liability (EPLI) including any actual or alleged wrongful termination, either actual or constructive; wrongful failure to employ or promote; wrongful discipline; alleged sexual harassment arising out of the employment relationship; alleged unlawful discrimination as defined by Title VII and/or the Unruh Civil Rights Act, or similar state law, whether direct, indirect, intentional or unintentional; or a failure to provide adequate employee policies and procedures

Coverage in Action

Four employees claim they had been wrongfully terminated for complaining about unpaid wages. Legal discovery reveals that the unpaid wage claims have some merit, and the terminations based on performance problems would be difficult to establish. Retaliation claims are currently the most significant employee practice liability exposure to employers, for both nonprofit and for-profit organizations.

Directors and Officers Liability without Employment Practices Liability

Highlighted Features

- Deductible options available including \$0
- Policy limit \$1 million with aggregate limits to \$2 million available
- Umbrella limits to \$5 million available, subject to underwriting approval
- Flat Rate D&O available for nonprofits with no employees
- Defense costs outside the policy limits
- Prior Acts Coverage available
- Event-trigger form
- Broad definition of member-insured that includes the nonprofit organization as well as directors, trustees, officers, volunteers, committee members
- Coverage extends to third-party harassment
- Attorney fees and expert fees awarded pursuant to a contract, statute, or law are included as damages
- Fiduciary Liability Coverage included at full policy limit are included as damages
- Breach of Contract limit \$250,000 for defense
- Punitive damages covered in states where insurable
- Individual member vs. individual member coverage included

Coverage in Action

A builder sues a nonprofit for breach of a construction project contract, claiming unpaid contract damages. Though breach of contract claims are not covered in D&O policies, our forms contain a \$250,000 defense cost only enhancement, so we're able to provide the nonprofit with an experienced defense attorney to provide that defense. The nonprofit is able to obtain a very favorable compromise on the contract damage issues.

Improper Sexual Conduct and Physical Abuse Liability

Highlighted Features

- Separate limits from the General Liability Coverage Form
- Event-trigger form
- Various limits available: aggregate limit to \$3 million
- Umbrella limits to \$2 million available, subject to underwriting approval
- Prior Acts Coverage available
- Broad definition of insured includes nonprofit organization as well as executive officers and directors, employees, volunteers, interns, and students-in-training
- Reimbursement of wages for an employee suspended from work with pay during an improper sexual conduct or physical abuse investigation limit \$10,000
- Civil defense of alleged perpetrator until he or she is convicted of a criminal offense involving sexual misconduct or physical abuse
- Coverage extends to client vs. client allegations
- Includes coverage for emotional distress arising out of sexual misconduct or physical abuse
- Includes blanket additional insured when required by a written contract

Coverage in Action

One of the students in a nonprofit's school for disabled and difficult students needs to be physically restrained. The teacher does not correctly follow take-down procedures, but the resulting injuries are minor. The parents retain an attorney, and we are able to resolve the claim.

Social Service Professional Liability Coverage

Highlighted Features

- Event-trigger form
- Defense costs outside the policy limits when defending the insured
- Separate limits from the General Liability Coverage Form
- Various limits available: aggregate limit to \$3 million
- Umbrella limits to \$2 million available, subject to underwriting approval
- Prior Acts Coverage available
- Reimbursement of wages for an employee suspended from work with pay during an investigation limit \$10,000
- Broad definition of insured includes nonprofit organization as well as medical services provider for counseling, evaluation and nursing services if a volunteer or employee of the organization; includes all other employees and volunteers, as well as interns and students-in-training and individual independent contractors
- Nonprofit member (other than medical service providers) covered for alleged improper oversight or supervision of medical professionals (see policy conditions applying to medical service providers).
- Covers a broad range of professionals

Coverage in Action

A four-month-old foster child, placed in a home certified by a nonprofit, dies in her sleep. The natural mother brings a lawsuit against the foster parents and the nonprofit. Under NIA coverage, the member will be represented during the proceedings.

Business Auto Liability

Highlighted Features

- Combined single limit \$1 million
- Umbrella limits to \$2 million available, subject to underwriting approval
- Broad definition of insured includes nonprofit itself as well as employees and volunteers
- Symbol One Liability Coverage available
- Hired Auto Physical Damage Liability is available for an additional charge upon request
- Rental Reimbursement Coverage included for owned vehicles up to 30 days at \$50 a day with higher limits available
- UM waiver of collision deductible included
- Drive Other Car Coverage free upon request

Coverage in Action

A nonprofit's employee is traveling on agency business and is rear-ended by an uninsured motorist. The crash is severe, pushing the nonprofit's vehicle into the vehicle ahead. The employee's neck and back injuries are serious and require two surgeries over an extended period. While workers' compensation insurance will pay for

medical and disability benefits that are not covered under the nonprofit's uninsured motorist coverage, the nonprofit's uninsured motorist coverage will cover the additional economic and non-economic damages to which the employee would otherwise be entitled to receive from the uninsured motorist.

Non-owned Auto Physical Damage Reimbursement (Employee Vehicles)

NONPROFITS OWN® Enhancement Endorsement to BUSINESS AUTO LIABILITY

The Problem

California Labor Code § 2802 states that an employer must indemnify an employee for all necessary expenditures or losses that the employee incurs in direct consequence of performing work-related duties. When an employee is using their own vehicle for work, that employee's own personal auto coverage provides protection for damage to the vehicle and is the primary layer of coverage for any liability claim.

However, many personal auto lines carriers have now adopted exclusions that eliminate coverage for an employee involved in a business-related activity, including employment with nonprofits. This has created a gap in coverage when an employee driving their own vehicle to perform work-related duties gets in an accident and the employee's personal auto carrier denies the claim for physical damage. Under Labor Code § 2802, the nonprofit is still required to reimburse the employee for the loss related to the claim.

Our Solution

Product Highlights:

- \$5,000 per claim limit/\$25,000 annual aggregate limit
- Reimburses insured nonprofit for the payments made to employee for the physical damage to employee's personal vehicle while performing work-related duties

NIA Insurer: NIAC Only

Form: NIAC-E130

Effective Date: 07/01/2020

Coverage in Action

An employee of a nonprofit arts center crashes into a pole while transporting various supplies from the main office to a gallery. Because the employee had been driving their personal vehicle, the employee files a claim with their personal auto carrier. The personal auto carrier however denies the claim on the basis that the employee had been performing work-related duties. Under the Non-owned Auto Physical Damage Reimbursement, the nonprofit is able to reimburse the employee for the loss.

Non-owned/Hired Auto Liability

Highlighted Features

Non-owned Auto Liability

- Covers autos the nonprofit doesn't own, lease, rent, borrow, or hire to use in connection with the nonprofit's business
- \$1 million limits
- Coverage designed to extend to the nonprofit organization and its drivers
- Coverage includes autos owned by the nonprofit's employees and volunteers
- Umbrella, if applicable, follows form
- Low minimum premium

Hired Auto Liability

- Covers autos the nonprofit leases, hires, rents, or borrows, other than employees' or volunteers' autos
- \$1 million limits
- Coverage designed to extend to the nonprofit organization and its drivers
- Coverage is excess over the rental company's policy
- Umbrella, if applicable, follows form
- NIAC – Hired Auto Physical Damage Coverage included subject to deductible, eliminates costly daily physical damage waivers charged by rental companies
- ANI – Hired Auto Physical Damage Coverage available for an additional premium, subject to a deductible (HAPD written by NAE)
- Low minimum premium

Coverage in Action

A nonprofit's employee rents a vehicle for three days for business purposes. When returning the vehicle to the rental company, damage was noticed on the vehicle. The nonprofit had purchased Hired Auto Physical Damage coverage, so subject to the HAPD collision deductible, the claim is handled and paid by the nonprofit's auto policy, and the employee does not need to involve her personal auto insurer.

NIAC Property Coverage

Highlighted Features

- Coverage is written on “special” modified BOP form
- Deductible amounts of \$250; \$500; \$1,000 and \$2,500; \$5,000 and \$10,000 available
- Low minimum premium
- Business Income and Extra Expense restoration periods – 18 months*
- Water backup damage to \$35,000*
- Outdoor property limits \$50,000 (plant limit \$1,000 and signs \$25,000)*
- Increased Cost of Construction limit to \$150,000*
- Fire Extinguisher Systems Recharge limit \$25,000*
- Arson & Vandalism Reward limit \$5,000*
- Spoilage limit \$25,000*
- Earthquake Sprinkler Leakage limit \$10,000*
- Personal Property Off Premises to \$250,000*
- Personal Effects on Premises to \$25,000*
- Valuable Papers and Records on Premises limit \$100,000 and \$100,000 while in transit*
- Lock and Key Replacement limit \$2,500*
- Green Upgrades Coverage available
- Equipment Breakdown Protection and Building Ordinances Coverages are available upon request
- Electronic data (digital assets) replaced or restored if damaged by a cyber-attack—virus, harmful code, or similar attack—\$10,000 sub limit included, higher limits available up to \$100,000*
- Interruption of computer operations—business income and extra expense due to cyber-attack, virus, harmful code or similar attack—\$25,000*
- Employee/Volunteer Dishonesty Coverage available on a specified limits basis (limits up to \$500,000) available
- Inland Marine available

*Feature is available for an additional charge on the enhancement endorsement.

Coverage in Action

Property

Fire erupts in a storage room and investigation determines that the faulty wiring in a coffee maker was the cause. The total cost of the damages to the nonprofit's business personal property, relocation expenses, and business income loss was more than \$100,000. Fire is the leading cause of property losses and accounts for 73% of dollars paid.

Employee Dishonesty

A nonprofit's employee's criminal activity spans over multiple policy periods, resulting in the theft of \$648,000 after the employee had opened an unauthorized bank account in the nonprofit's name. The employee admits to inflating invoices and depositing the extra money into the account. After an investigation, the nonprofit receives the max under the policy.

Inland Marine

A pipe breaks resulting in water damage to various items, including very expensive disc jockey equipment. Disc jockey equipment typically moves from one location to another unscheduled location during use. When the equipment is damaged at an unscheduled location, it's still covered.

Workplace Violence / Crisis Incident / Outside Aggressor

BUSINESSOWNERS Enhancement Endorsement to NIAC PROPERTY

Highlighted Features

- Aggregate limit \$30,000
- Covers loss of business net income incurred following an incident
- Covers extra expense incurred in period of recovery following an incident
- Covers cost of relocation to comparable location
- Covers cost of mandatory evacuation

Coverage in Action

At a nonprofit theatre, an active shooter aims recklessly at the audience. Fortunately, no one is injured, but a pipe is broken as a result of the attack, flooding the theatre. The building is deemed unsafe, and all staff and volunteers are evacuated to a new rented space. Under the nonprofit's Workplace Violence / Crisis Incident / Outside Aggressor under Additional Coverage, the costs of evacuation and relocation are covered.

ANI Property Coverage

written through NAE

Highlighted Features

- Coverage is written on “special” modified BOP form
- Deductible amounts of \$250; \$500; \$1,000 and \$2,500; \$5,000 and \$10,000 available
- Low minimum premium
- Business Income and Extra Expense restoration periods – 18 months*
- Water backup damage to \$25,000*
- Outdoor property limits (plant limit \$1,000 and signs to \$25,000)*
- Increased Cost of Construction limit \$100,000*
- Fire Extinguisher Systems Recharge limit \$25,000*
- Arson & Vandalism Reward limit \$5,000*
- Spoilage limit \$25,000*
- Earthquake Sprinkler Leakage limit \$10,000*
- Personal Property Off Premises to \$250,000*
- Personal Effects to \$25,000*
- Valuable Papers and Records on Premises limit \$25,000 and \$10,000 while in transit*
- Lock and Key Replacement limit \$2,500*
- Green Upgrades Coverage available
- Equipment Breakdown Protection and building ordinances coverages are available upon request
- Electronic data (digital assets) replaced or restored if damaged by a cyber-attack—virus, harmful code or similar attack—\$10,000 sublimit free, higher limits available up to \$100,000
- Interruption of computer operations—business income and extra expense due to cyber-attack—virus, harmful code or similar attack—\$10,000 sublimit*
- Employee/Volunteer Dishonesty Coverage available on a specified limits basis (limits up to \$500,000) available
- Inland Marine available

*Feature is available for an additional charge on the enhancement endorsement.

Coverage in Action

Property

Fire erupts in a storage room and investigation determines that the faulty wiring in a coffee maker was the cause. The total cost of the damages to the nonprofit's business personal property, relocation expenses, and business income loss was more than \$100,000. Fire is the leading cause of property losses and accounts for 73% of dollars paid.

Inland Marine

A pipe breaks resulting in water damage to various items, including very expensive disc jockey equipment. Disc jockey equipment typically moves from one location to another unscheduled location during use. When the equipment is damaged at an unscheduled location, it's still covered.

Employee Dishonesty

A nonprofit's employee's criminal activity spans over multiple policy periods, resulting in the theft of \$648,000 after the employee had opened an unauthorized bank account in the nonprofit's name. The employee admits to inflating invoices and depositing the extra money into the account. After an investigation, the nonprofit receives the max under the its policy.

Participant/Volunteer Accident Coverage

written with QBE

Highlighted Features

- Underwritten by QBE Insurance Corporation, rated "A" (Excellent) by AM Best
- Covers all volunteers and participants engaged in assigned or sponsored activities, respectively, of the nonprofit agency
- Includes travel to and from covered activities
- AD&D scheduled benefits up to \$500,000
- Excess Accident Medical Expense limits available from \$10,000 to \$500,000
- Deductible options available from \$0 to \$250
- Medical and prescription expenses paid at 100% of usual and customary and dental expenses paid up to \$300 per tooth, \$1,000 aggregate.
- Excess Accident Medical Coverage payable secondary to other health care plans

Coverage in Action

A student attends a school the nonprofit operates and is injured when he accidentally runs into a volleyball pole during a school-sponsored game. Coverage for the medical expenses incurred as a result of the accident is excluded under the school's General Liability policy. The Accident Policy pays up to the maximum allowable for the student's covered accident medical expenses.

Umbrella

Highlighted Features

- Limits up to \$5 million available
- Follow form coverage can include the following coverage
 - ▶ Commercial General Liability
 - Liquor Liability (Umbrella available for NIAC only)
 - Employee Benefits
 - ▶ Auto Liability (Non-owned)
 - ▶ Auto Liability (Owned)
 - ▶ Directors and Officers Liability with Employment Practices Liability
 - ▶ Directors and Officers Liability without Employment Practices Liability
 - ▶ Improper Sexual Conduct and Physical Abuse
 - ▶ Social Service Professional Liability
 - ▶ Employers Liability



The insurance policy, not this brochure, forms the contract between the insured and the insurance carrier. The policy may contain limits, exclusions, and limitations that are not disclosed in this brochure. Coverages may differ by state.

Nonprofits Insurance Alliance® is the tradename for a group of insurers — NIAC, ANI, and NANI — all of whom are public-benefit 501(c)(3) nonprofits and rated A (Excellent) by AM Best. All NIA organizations are administrated by Alliance Member Services® (AMS), also a 501(c)(3) nonprofit.

insurancefornonprofits.org