

# Nonprofit Management Liability Insurance



## What is NML Insurance?

Nonprofit Management Liability (NML) Insurance protects the assets of a nonprofit organization and its individual directors, officers and employees from expenses arising from allegations of wrongful acts.

### Program Overview

- Directors and Officers Liability (D&O) Insurance (required)
- Employment Practices Liability (EPL) Insurance (optional)
- Fiduciary Liability Insurance (optional)
- Crime Insurance (optional)

### Why Do I Need NML Insurance?

NML Insurance offers protection for individual directors and officers when a claim is made against them. It also safeguards the organization against liability for claims brought by employees and/or customers. This coverage helps to attract and retain qualified board members.

Costly litigation and settlement expenses, loss of donations, negative publicity and loss of your nonprofit status are just a few of the consequences your organization could face if you don't have NML Insurance when a claim occurs.

### Basic Coverage Features<sup>1</sup>

- Limits up to \$5 million for primary or excess coverage
- Deductibles as low as \$0 for individuals and \$500 for entities<sup>2</sup>
- Defense expenses paid outside the indemnity limit of liability
- Separate limits of liability available for D&O, EPL and Fiduciary Liability and Crime coverages
- EEOC (or state equivalent) coverage
- Includes full-time, part-time, and leased employees, volunteers and independent contractors
- Full prior acts coverage
- Third party liability coverage
- Personal injury coverage
- 60-day automatic extended reporting periods, with options for 12, 24 and 36 months

<sup>1</sup>This coverage overview is not a part of an insurance contract and does not supersede the policy. Please read the policy form for complete terms, conditions and exclusions. <sup>2</sup>Premiums and terms depend on the size and type of organization.

### Added Member Features

- Preferred pricing, discounted for members
- Sublimit for costs of defense for claims alleging violation(s) of the Fair Labor Standards Act (FLSA)
- Waiver of deductible (if ruling of no liability obtained)
- Sublimit for costs of defense for alleged hiring or harboring of illegal aliens
- Sublimit for defamation, libel and invasion of privacy against a third party resulting from the use of social media
- Co-defendant liability coverage

### Risk Management Services

A suite of services is provided to insureds at no cost.

- Unlimited calls to a toll-free helpline that provides expert advice about employment-related workplace concerns
  - (877) 503-4595
- A risk management website, MyHRHelp, with employment resources and templates
  - [www.myhrhelpweb.com](http://www.myhrhelpweb.com)
- A subscription to the newsletter, *Employment Law Updates*

### Who Provides NML Insurance?

#### Monitor Liability Managers, LLC

As a part of the W. R. Berkley Corporation group of companies, Monitor places coverage with Carolina Casualty Insurance Company, an admitted carrier, and Admiral Insurance Company, a nonadmitted carrier. Both are W. R. Berkley Corporation member companies and are rated "A+" (Superior) by A. M. Best Company.

### When Do We Purchase NML Insurance?

When starting a new nonprofit, purchasing NML Insurance should be one of the first things you do to protect your organization. For existing organizations, you should evaluate insurance options two to three months prior to the expiration date of your current policy.

#### To Request a Quote

Contact your agent or **Sarah Chancy**, Alliance Director, Oklahoma Center for Nonprofits, at **(405) 463-6886**, ext. 209 or [schancy@oklahomacenterfornonprofits.org](mailto:schancy@oklahomacenterfornonprofits.org).



# Nonprofit Management Liability Insurance Questionnaire



The Oklahoma Center for Nonprofits has partnered with Monitor to provide this valuable insurance program to its members.

The Oklahoma Center for Nonprofits and Monitor Liability Managers, LLC offer an insurance program specifically designed for the unique liability exposures of nonprofit organizations. This program provides comprehensive Directors and Officers Liability Insurance and Employment Practices Liability Insurance with optional Fiduciary Liability and Crime Insurance.

The premium will vary based on total assets, number of employees and activities of the nonprofit organization. Premiums start at \$750.

The application process is simple and is backed by a dedicated staff to service your policy.

**Please complete this questionnaire for a price indication.**

## General Information

Name of Organization \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone Number \_\_\_\_\_ Fax Number \_\_\_\_\_

Web Site \_\_\_\_\_

Primary Contact Name \_\_\_\_\_

Primary Contact Title \_\_\_\_\_

Primary Contact Email \_\_\_\_\_

Does your organization have 501(c) tax exempt status?

Yes  No

If "Yes," under which IRSC section? \_\_\_\_\_

Does your organization currently have Directors and Officers Liability Insurance?

Yes  No

Current Insurance Carrier \_\_\_\_\_

Expiration Date \_\_\_\_\_ Limit of Liability \$ \_\_\_\_\_

Deductible \$ \_\_\_\_\_ Premium \$ \_\_\_\_\_

## Your Organization's Operations

During the last five (5) years, has your organization or any of its Directors, Trustees and Officers or those proposed to be included on this insurance received any demands for monetary or nonmonetary relief, been involved in or had any knowledge of any civil or criminal action, administrative or arbitration hearings?

Yes  No If "Yes," provide details.

Are any of your organization's Directors, Trustees and Officers or those proposed to be included on this insurance aware of any fact, circumstance or situation involving them that he or she has reason to believe may result in a claim?

Yes  No If "Yes," provide details.

How many subsidiaries does your organization have? \_\_\_\_\_

What are total assets of your organization as of the most recent year-end? \_\_\_\_\_

Does your organization have a positive Fund balance (Total Assets – Total Liabilities)?  Yes  No

How many full-time employees, including independent contractors, does your organization have? \_\_\_\_\_

How many part-time employees does your organization have? \_\_\_\_\_

Is your organization a current member of the Oklahoma Center for Nonprofits?  Yes  No

### Send Us Your Completed Questionnaire

#### Oklahoma Center for Nonprofits

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Oklahoma City, OK 73116  
(405) 463-6886 ext. 209  
Fax: (405) 463-6888

**The contract for insurance is not valid until an application is accepted and the premium is paid.**

Organization's Authorized Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_