

# AAW's Liability Insurance

The AAW has taken the burden of shopping for and acquiring liability insurance off our shoulders and supplied all its chapters and members with a liability insurance policy through Travelers, a well-respected company.

The Liability Coverage part of the policy, is thirty-two pages long. Each year, Certificates of Liability Insurance are produced for each chapter of the AAW identifying the chapter as an additional insured under the policy that provides both Commercial General Liability and Tenant Legal Liability. The certificate is a one-page ACORD form that is usually acceptable to an organization or public or private facility that allows a chapter to use facilities for meetings and events.

Although the policy contains the usual definitions and exclusions that one would anticipate in an insurance policy of any kind, it includes an endorsement that expands the scope of its coverage to all AAW members. The precise language of the endorsement adds to the definition of an insured: "any of your members, but only with respect to that member's liability for your activities, or activities performed by that member on your behalf." To put this in plain language, each chapter and each AAW member is covered as an insured, under the policy, so long as he or she is performing chapter-approved activities. Members are not covered for their own private activities. Note that chapter members, who are not AAW members, are neither covered nor protected by the policy. For residents of the United States, Puerto Rico, Guam, and Canada, the activities can be anywhere in the world. For members whose residence is outside the United States, Puerto Rico, Guam, and Canada, the activities covered are limited to those

activities in the United States, Puerto Rico, Guam, and Canada.

Whenever a member or group of members are conducting an activity other than a normal chapter meeting (e.g., a demonstration in a mall), it is a good idea to keep meticulous records of all correspondence, confirming that the event is a chapter-sponsored activity. If the landlord of a mall or the owner of your meeting place asks for a certificate of insurance, you would give them a copy of the Certificate of Liability Insurance that is regularly produced for each chapter of the AAW identifying the chapter as an additional insured. If a landlord requires that they be named for a specific event, contact the AAW office and give them the exact name that the landlord wishes to have added. Provide the address of the event and the dates covered.

The AAW policy has two parts. The first is the Commercial General Liability, which insures and protects the chapters and AAW members in the event that a person is hurt or killed as a result of the actions of a chapter or AAW member. The limits of this liability are \$1,000,000 per occurrence and \$2,000,000 aggregate total per year. The second part is Tenant Legal Liability, which is liability coverage for damage to property you are using for your meetings whether leased or donated. The coverage applies only to the number of square feet you use and only if you are legally liable for a fire, for instance. The limit of this coverage is \$100,000. There is no deductible. In addition, the policy provides \$5,000 for incidental medical and is paid without determining liability so as to discourage lawsuits. The policy does not insure for personal injury, which is injury other than bodily injury and includes libel, slander, etc.

Members have asked myriad hypothetical questions. The Travelers agent reminds us that each situation presents unique circumstances and that the answers he provides merely give us a general overview of the coverage. Needless to say, the language of the policy is controlling.

We have received a number of questions about mini-symposiums. If they are functions sponsored by the chapter, they are covered. If they are put on by a separate organization, they are not. Likewise, we have had questions about hands-on workshops. It makes no difference: If it is a demonstration or a hands-on event and it is a chapter function, it is covered.

The AAW Liability policy has been reviewed by the AAW Insurance Advisory Committee, which has concluded and have advised the Board of Directors that our policy is appropriate for our organization.

We have never had a claim on our policy. This fact alone serves as a strong reminder of the importance of exercising the highest safety practices during association activities. An appreciation of the risks involved in woodturning and a few steps taken to protect members as well as spectators combine to provide the best insurance against injury.

This liability insurance is furnished as a service to the members of the AAW and to its chapters. If each chapter had to negotiate its own insurance policy, the time and cost would be substantial. Though not required, many chapters make contributions of one dollar per member to the AAW to help defer the cost of the premium for this valuable policy. ■

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*John Hill and John Buso contributed to this article. Contact John Hill at [johnhill6@verizon.net](mailto:johnhill6@verizon.net) if you have questions.*