

## Section II

### Insurance

#### The Need for Comprehensive Protection

With NASO, everything you do as an official — from assigning games, to working as a clinic trainer, to good old fashioned onfield or oncourt officiating — is covered by the Sports Officials Security Program (S.O.S.).

In 1980, NASO brought into existence the most comprehensive and far-reaching insurance protection program for sports officials anyone had ever seen. Since then, other organizations have dipped their toes in the officiating insurance waters with varying degrees of success. During the course of the next 30 years, NASO set the pace for sports officials' insurance, changing as athletics changed and meeting every emerging insurance need. Today's NASO insurance program is preeminent in the officiating world. You simply will not find a more far reaching and comprehensive insurance package.

Officials face much more liability risk now than any time in the past. This section will show you how NASO's Sports Officials Security Program serves you in every facet of your officiating. You'll also see how insurance coverage gaps, common in many other officiating insurance packages, are completely covered with your NASO membership. NASO's Sports Officials Security Program removes the risks non-insured officials take every time they accept a game assignment. Even if you have another officials' insurance service, NASO's coverage protects you when your other officiating coverage comes up short.



The S.O.S. Program is not just a great insurance package. It is a complete risk management and legal protection service that starts working for you even before you need it.

#### Who Is Eligible for the S.O.S. Program?

NASO insurance benefits are intended for members that live in the U.S. and officiate temporarily in other countries and foreign members officiating within the U.S. only.

#### What Do I Get With the S.O.S. Program?

You have access to an entire risk management service covering all aspects of your officiating and including:

**I. General Liability Insurance Coverage** — Provides excess coverage for claims for bodily injury, property damage and personal injury during sporting activities that are organized by recognized sports organizations, leagues and

associations and while assigning, attending seminars, conferences, camps, clinics, and similar meetings designed to improve officiating knowledge and skills. You're covered for up to \$3 million per occurrence.

**In Simple Terms:** NASO covers you for all sports, all levels and what you do as an official.

## **2. Unintentional Errors and Omissions Insurance Coverage**

— Provides for claims alleging a breach of duty as an official by reason of error or omission occurring while acting as an official. Errors and Omissions coverage extends to \$50,000 per occurrence and is included in NASO's aggregate limits.

**In Simple Terms:** If someone sues you because of a game call you made, you have coverage. You're also covered if someone sues you for a decision you made as an assigner or clinician.

**3. Heart or Circulatory Malfunction Death Benefit** — In the event of an officiating-related cardiac death, NASO provides \$5,000 coverage.

**In Simple Terms:** Most policies don't count cardiac death as "accidental death." With NASO, you have coverage.

## **4. Member Information and Consultation Program (MICP)** —

The most comprehensive source for officiating-related information. NASO members can utilize MICP to get access to a wealth of information, culled from NASO's Legal Library of thousands of officiating related articles, columns and case studies. Plus, as part of NASO's regular dues, members can consult with an experienced professional for officiating related information. All at no charge to you. Members may use this consultation service up to three times per member year.

**In Simple Terms:** If you have professional service type questions, NASO has answers. Call us.

**5. Assault Protection Program** — Provides coverage for certain expenses and loss of game fees resulting from injuries suffered when an official is the victim of an assault and/or battery by a spectator, fan or participant while the official is performing officiating duties or as a direct result of performing officiating duties at an organized sporting event. NASO puts you in contact with appropriate legal counsel and provides up to \$3,000 reimbursement of attorney fees incurred by the member in bringing a claim against the perpetrator. Reimbursement will be made based on attorney invoice and will be made on a 60/40 percent co-pay basis with the member paying 40 percent. Expenses are shared on a 60/40 percent basis until the insurance has paid \$3,000. Further expenses incurred are the sole responsibility of the member. Additionally, NASO's Assault Protection benefit pays up to \$100 for each game lost within 21 days after the injury with a maximum total of \$500.

**In Simple Terms:** If you are assaulted while officiating, NASO can assist you in finding an attorney and help with your legal fees.

**6. Optional Game Fee Loss Insurance** — For those NASO members who want more extensive game fee loss protection they can purchase a program with one of two options; annual premiums range from \$114 to \$277 with corresponding annual maximum benefits from \$1,000 to \$2,000. These optional programs are not limited to game fee loss due to assault injuries; they extend to all officiating-related injuries.

**In Simple Terms:** Whether you work amateur games or the big-time, we have a plan for you.

## The Two Game Fee Options

**Option 1:** \$114 Annual Payment

Subject to \$50 maximum per game; \$1,000 maximum per year; benefits payable up to 26 straight weeks

**Option 2:** \$277 Annual Payment

Subject to \$75 maximum per game; \$2,000 maximum per year; benefits payable up to 26 straight weeks

## Why Do I Need the S.O.S. Program?

What happens if you're dragged into court because it's claimed you were negligent in ensuring the safety of a game participant? How about if some overzealous parent decides to take you to court because of a ruling you made during a game? Those are distinct possibilities in today's litigious society. You will have your defense costs covered in addition to policy limits. While other insurance plans aimed at officials might not cover you for all contingencies, NASO's insurance plan covers unintentional errors and omissions during normal officiating activities. Not only that, but take a close look at other organizations' insurance coverage and you might find they don't cover officiating such sports as boxing, wrestling or rowing. NASO's coverage extends to officials in all sports. It also extends to your other officiating-related activities such as assigning or working as an officiating camp clinician. But perhaps best of all, NASO's S.O.S. Program starts helping you before anyone ever brings a lawsuit against you. By utilizing NASO's Member Information and Consultation Program (MICP), a benefit of the S.O.S. Program, you can effectively head off problems before they start.

**In Simple Terms:** Attorney fees are no worry — We know how quickly attorney fees can add up in the event of a claim against you. That's why with NASO's comprehensive coverage, your attorney's fees are covered above and beyond the \$3 million per occurrence policy limit. That means that in the event of a claim against you, NASO's insurance provider, American Specialty Insurance & Risk Services, Inc., will provide you with legal representation, and those attorney fees and defense costs are covered in addition to your policy limits.

## S.O.S. at a Glance

### **WHO is covered?**

All persons entitled to NASO benefits during the policy period.

### **WHAT is covered?**

Any activity having to do with your officiating avocation. Coverage extends to all your officiating activities for recognized sports organizations, leagues and associations. Your policy also provides excess coverage for claims for bodily injury, property damage and personal injury during sporting activities that are organized by recognized sports organizations, leagues and associations and while assigning, attending seminars, conferences, camps, clinics and similar meetings designed to improve officiating knowledge and skills. Coverage extends to claims brought against the official by athletic participants (participant legal liability). Coverage is also provided for claims alleging a breach of duty as an official by reason of error or omission occurring while acting as an official.

### **WHAT are the Policy Limits?**

- The policy provides excess coverage up to a \$3,000,000 per occurrence general liability limit with a personal policy aggregate of \$4,000,000. The per occurrence limit is the most the policy will pay for all insureds for any one occurrence.
- \$50,000 per occurrence for unintentional errors and omissions of NASO members. This limit is included, and not in addition, to the overall \$3,000,000 occurrence and \$4,000,000 personal aggregate limits.
- The per occurrence limit is the most the policy will pay for all insureds for any one occurrence.

### **WHAT are the Exclusions?**

Notable policy exclusions include:

- Use of automobiles or buses and aircraft
- Property of others in the care, custody and control of the insured
- Injury to an employee of the insured
- Liquor liability
- Medical malpractice
- Employment related practices

# Explanation of NASO's Lifetime Liability Insurance

## 9/30/09 - 9/30/10

We generally state that there is up to \$3M (million) coverage per occurrence with a \$4M annual aggregate per official. The "per occurrence" limit is the most that policy will pay for all insureds due to a single occurrence. The "per official aggregate" is the most that policy will pay for a policy year on all claims against any one official. There are two companion but separate NASO policies: a "Base Policy" and a "Back-up Policy." The Base Policy pays first and the Back-up Policy pays when the Base Policy Per Official or Per Occurrence limits are exhausted. These are the two policies:

First, let's understand the term "aggregate." An "aggregate" is a limit: the higher the better with "unlimited" the best. A "Policy Aggregate" is the most that policy will pay on all claims by all NASO insureds for a policy year. The "Per Occurrence Aggregate" is the most that policy will pay for all insureds due to a single occurrence. The "Per Official Aggregate" is the most that policy will pay for a policy year on all claims against any one official. There are two companion but separate NASO policies: a "Base Policy" and a "Back-up Policy." The Base Policy pays first and the Back-up Policy pays when the Base Policy Per Official or Per Occurrence limits are exhausted. These are the two policies.

	Per Occurrence Limit	Per Official Aggregate	Policy Aggregate
Base Policy	\$1 M	\$2 M	None (unlimited)
Backup Policy	<u>\$2 M</u>	<u>\$2 M</u>	None (unlimited)
Totals	\$3 M	\$4 M	

Here are some illustrative examples.

Joe has a \$200K (thousand) claim paid on one occurrence and there were no other officials involved. The entire \$200K comes out of the Base Policy; Joe then has \$1.8M of remaining annual Per Official Aggregate on the Base Policy plus \$2M annual Per Official Aggregate on the Back-up Policy (which was untouched).

Joe is having a bad year. Next, he and Mary both get sued on one occurrence with equal liability and \$2M is paid in total for the both of them (\$1M each). The Base Policy pays \$1M (its per occurrence aggregate with \$500K for each of them) and the Back-up Policy pays the remaining \$1M. Joe now has \$1.3M of his annual remaining Per Official Aggregate on the Base Policy (down from the above \$1.8M as \$500K is charged to him) and Mary has \$1.5M remaining of her annual \$2M Per

Official Aggregate on both Policies (\$3M total for her). Joe also has \$1.5M remaining on the Back-up Policy (\$2.8M total for him). "The Base and Backup policies do not have policy aggregates and remain unlimited beyond its per occurrence and annual per official aggregates. This means that claims against other insured officials cannot reduce a member's Base Policy coverages."

**Policy years and Lifetime Coverage.** Policy years go from 9/30 to 9/30 and when a new policy year commences everyone starts fresh again. Claims count for the policy year of the occurrence and not the policy year of the claim. Therefore, if a person is insured at the time of the occurrence they are covered forever whether or not they are still insured at the time of the claim. This is important as claims can arise after retirement or cessation of NASO membership. Coverages can change each year. So far they have gotten better like this year's elimination of the Backup Policy's total aggregate.

**Defense costs** are also paid by the insuring companies, so long as they have liability exposures, without reductions in coverage limits.

## Section III

# The 'Gap' Problem and NASO's Solution

Most sports officials who are not NASO members have inadequate insurance for their officiating activities. NASO solves that problem. With NASO, the S.O.S. Program covers everything you do as an official. Our insurance coverage is unsurpassed for officials. You will not find a more complete insurance package anywhere.

### When Your Other Insurance is Lacking

Clearly anyone who officiates sports without insurance coverage specific to their officiating endeavors is taking an awful big — and unnecessary — risk. The leagues, school districts, conferences and other organizations for which officials work may have some limited insurance coverage that extends to officials, but it's likely not complete.

NASO's S.O.S. Program steps in and insures all NASO members for any liability (except for some very limited exclusions) arising out of officiating for a recognized sports organization. Defense costs — including attorney fees — are included. In today's lawsuit-happy environment, it doesn't make sense for any sports official to ever go uninsured.

Here are some typical scenarios in which insurance coverage for officials is lacking or non-existent. There can be many others.

#### **The Problem:**

With some organizations insuring officials, the aggregate policy limits are equal to the individual policy limits, meaning the policy could quickly be exhausted without you ever being personally involved in a claim.

#### **NASO's Solution:**

With NASO's coverage, the policies provide up to \$3 million per occurrence, with an overall personal policy aggregate of \$4 million. Effectively, each individual NASO member has a \$4 million aggregate.

**The Problem:**

The organization for which you are officiating may not carry any insurance, or if it does, it may only insure itself, its officers and directors — but not you!

**NASO's Solution:**

Your NASO membership covers you when the insurance of the organization for which you're officiating doesn't apply.

**The Problem:**

When your primary organization does insure you, that insurance may not apply when you officiate a game for another organization.

**NASO's Solution:**

Your NASO coverage expands to include all your officiating endeavors, regardless of the sport you work or how many organizations you officiate in.

**The Problem:**

The general liability provisions under your renters' or homeowners' insurance will usually not apply to your officiating since it is a business activity.

**NASO's Solution:**

NASO's general liability coverage kicks in whether you are getting paid to officiate while working a game or if you're attending an officiating camp or clinic. You're covered.

**The Problem:**

You retire or stop officiating for an organization before a claim against you is made.

**NASO's Solution:**

NASO covers you as long as the incident leading to the claim occurred when you were covered.

# **Problems Caused by Common Insurance Gaps**

If you do have some specific insurance protection related to your officiating, there can be any number of “gaps” in coverage. Gaps are holes in your insurance coverages where you probably don’t expect them. Here are some of the more common insurance coverage gaps:

## **The Problem:**

There are frequently significant deductibles — the amounts you are responsible for paying.

## **NASO’s Solution:**

There are no deductibles with NASO’s insurance coverage. The one minor exception is a small \$250 deductible for assault-related medical expenses.

## **The Problem:**

Defense costs (attorney’s fees, etc.), if covered, are frequently only paid within and not in addition to policy limits.

## **NASO’s Solution:**

Your NASO coverage covers defense costs in addition to policy limits so long as the insuring company has exposure.

## **The Problem:**

Liability is limited to claims by participants and does not cover claims by injured spectators.

## **NASO’s Solution:**

Your NASO coverage includes claims brought by injured spectators.

## **The Problem:**

If you make physical contact with a player or fan, even if it’s for protection of yourself or others using reasonable force, there may be an insurance exclusion because you acted “intentionally.”

## **NASO’s Solution:**

NASO’s coverage allows for self-protection and the protection of others as long as reasonable force was used.

**The Problem:**

You are sued for a game-call that someone claims was grossly negligent, caused the team to lose which resulted in lost money or opportunity for the team, institution or player. Coverage is denied as bodily injury or property damage was not involved.

**NASO's Solution:**

NASO insures you and provides up to \$50,000 per occurrence as long as you are acting in good faith. Defense costs are within the \$50,000 and not in addition to it.

**The Problem:**

In the course of assigning games, you're sued by an official for discrimination because you did not give that official any assignments. Coverage is denied as bodily injury or property damage was not involved.

**NASO's Solution:**

NASO insures assigners acting in good faith up to \$50,000 per occurrence, with defense costs included in the \$50,000.

**The Problem:**

Some sports such as boxing, wrestling, gymnastics, skiing, rodeo, squash and others are often excluded from insurance coverage.

**NASO's Solution:**

NASO covers all sports and all levels.

**The Problem:**

Events outside the United States and professional sports may be excluded.

**NASO's Solution:**

Your NASO insurance covers you even when you officiate outside the U.S. on a temporary basis or for a professional league.

NASO covers you when you are not otherwise insured due either to a total lack of insurance or gaps in your existing coverage. As a sports official, you have plenty to worry about. As an NASO member, proper insurance protections will no longer be a worry.

## Section IV

### S.O.S. FAQs

The most common questions about the Sports Officials Security Program.

#### **Can I buy NASO insurance without being a member?**

No. NASO insurance coverage, including general liability, errors and omissions and game fee protection coverages, are exclusively available to NASO members.

#### **When does my coverage start?**

Your benefits begin as soon as you're registered as an NASO member in good standing and your dues payment is received by the NASO offices.

#### **If I am not an NASO member, but someone files an officiating-related lawsuit against me, can I join after that and still be covered?**

You may access any and all of the benefits of NASO's S.O.S. Program as soon as you join, but since NASO's premier insurance coverage is an exclusive benefit for NASO members only, existing claims are not covered. However, NASO's MICP program would be immediately available and likely very useful.

#### **What if I let my membership lapse? How long am I covered?**

You are always covered for liability and can receive MICP benefits as long as the incident occurred when you were NASO insured. For optional game fee loss and assault protection, you must be a member when utilizing those programs.

#### **How do I file a claim?**

NASO's insurance provider is American Specialty Insurance & Risk Services, Inc. and you can reach them at 800/245-2744.

#### **What if I'm not sure if I'm covered?**

Contact NASO at 262-632-5448. Our customer service representatives will direct you to the appropriate person.

## **What if I have other officiating insurance?**

NASO's insurance benefits work in conjunction with any other officiating insurance. In fact, the primary purpose of NASO's liability insurance is to fill in any gaps in your existing insurance. NASO insurance will stand by you whether or not you have any other insurance.

## **I thought this was NASO insurance. What is American Specialty?**

American Specialty is NASO's insurance provider. American Specialty has years of experience managing risk for the sports and entertainment industry.

## **Does my NASO insurance replace my medical insurance?**

No. NASO's insurance is specifically related to officiating endeavors and protects you from claims against you arising from your activities as an official. NASO's Assault Protection Program provides some limited medical coverage only in the event you are assaulted while serving in the capacity as a sports official.

## **How do I know this information is correct and up to date?**

NASO's insurance policy may have some modifications and upgrades periodically. Check [www.naso.org](http://www.naso.org) and the NASO newsletter for updated information.

**If you aren't a member:**

Go to [www.naso.org](http://www.naso.org) and you can sign up through our secure server.  
Or just write, phone, fax or e-mail us at:

**National Association of Sports Officials**

2017 Lathrop Ave., Racine, WI 53405  
Phone: 262-632-5448 • Fax: 818-487-4550  
E-mail: [naso@naso.org](mailto:naso@naso.org)

We'll send you the necessary membership information by return mail.  
The annual cost for NASO membership is \$97\*.

\*Rate good in U.S. only.

**If you have questions or need further information,  
please contact NASO's Insurance Agent directly:**



**AMERICAN SPECIALTY®**

American Specialty Insurance & Risk Services, Inc.  
142 N. Main Street  
P. O. Box 309  
Roanoke, IN 46783  
Ph.: 800/245-2744  
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Upon notice of claim, membership will be verified  
with NASO.

DISCLAIMER: This is only a general reference to what coverage(s) the insurance policy (or policies) will provide, and is not intended to attempt to describe all of the various details pertaining to the insurance. Actual coverage is detailed in the policy of insurance and is always subject to all terms, provisions, conditions and exclusions as contained within.