



## TU Insurance Coverage and Related Issues for Chapters and Councils *Frequently Asked Questions (FAQs)*

Below is a composite list of *Frequently Asked Questions (FAQs)* received by the national office about Trout Unlimited's insurance coverage and related issues. The goals of this document are to help TU chapters and councils increase their awareness of risks, their general understanding of TU's insurance policies, and the importance of incorporating the concept of risk management into their planning efforts.

Because every situation is different (due to location, audience, activity, season, etc.) chapters and councils are strongly encouraged to contact TU's insurance agent, [Doug Adams](mailto:dadams@adamsins.net), at [dadams@adamsins.net](mailto:dadams@adamsins.net) with any and all questions regarding insurance or liability issues. Additional information on TU's insurance and on risk management issues can be found in [TU's Leadership Manual](#), and we urge council and chapter leaders to become familiar with those materials. A frequently updated [TU Leadership Manual](#) can be found in the Tacklebox section of [tu.org](http://tu.org) under [Business Practices](#). To access materials in [the Tacklebox](#), please be sure to be logged into the website, which is done at the top right hand corner on the homepage of [tu.org](http://tu.org).

This FAQs document does not modify the terms and conditions of TU's insurance policies. It is intended only to provide summary information on the coverage provided by some of those policies. Questions can also be addressed to [TU's Volunteer Operations staff](#).

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## Questions and Answers:

**Q1:** What is a general description of the general liability insurance provided by TU for chapters and councils?

**A1:** TU has a purchased a Commercial General Liability (CGL) policy which provides several forms of insurance coverage for chapters and councils. TU members are also insureds under the CGL for their liability arising out of a TU-sponsored event, subject to the policy's limitations and exclusions.

The CGL policy contains three primary forms of coverage. The first (Coverage A) provides coverage for certain types of bodily injuries and property damage caused by negligence. For the purposes of this document, negligence means the carelessness, mistakes, unintentional acts or omissions of a TU member that result in bodily injury or property damage to another person, entity, or property. The second (Coverage B) provides coverage for certain types of personal and advertising injuries arising out of TU's business. For the purposes of this document, personal and advertising injury means certain types of injuries related to false arrest, malicious prosecution, wrongful entry or eviction, slander or libel, privacy violations, use of another's ideas in some limited circumstances, or copyright infringement in some limited circumstances.

Finally, the third (Coverage C) provides coverage of \$20,000 per person for medical expenses stemming from bodily injuries occurring without fault, but several exclusions apply to this medical-expense coverage and it may not provide coverage to TU members. As a result, TU recommends that chapters and councils purchase supplemental accident insurance. See Q&A 4, below.

In addition to the CGL policy's three main coverage types, TU has purchased a number of endorsements that either provide or enhance coverage related to liquor liability, boating liability, fundraising events, vicarious liability for sexual or physical abuse and molestation, and other issues.

Each of these coverage types is subject to various exclusions and limitations. As a result, TU's CGL policy *does not* provide coverage under all circumstances or to all people (as is the case with virtually any policy of insurance). For instance, TU's CGL policy does not provide coverage for engineering or design-related errors, and it has a broad exclusion for damage caused by pollution.

If you have any questions about TU's CGL policy, or the coverage it provides, please contact TU's insurance agent [Doug Adams](mailto:dadams@adamsins.net) at [dadams@adamsins.net](mailto:dadams@adamsins.net). This is particularly important if your chapter or council is planning a project that involves design or engineering issues (such as a dam removal) or that involves the disturbing of potentially polluted streambeds.

**Q2:** Does TU's insurance provide coverage for chapter and council officers and directors?

**A2:** In general, yes. In addition to the CGL policy, TU has purchased a policy that provides coverage for Directors and Officers Liability (D&O). The D&O policy generally provides coverage to TU national, councils, chapters, and their officers and directors for liability stemming from wrongful acts either actually or allegedly committed or attempted when the claim is made during the policy period. For the purposes of this document, a wrongful act means errors, misstatements, acts, omissions, neglect, breach of duty, and other limited types of conduct. This coverage is subject to various exclusions and limitations and does not provide coverage under all circumstances to all people.

If you have any questions about TU's D&O policy, or the coverage it provides, please contact TU's insurance agent [Doug Adams](mailto:dadams@adamsins.net) at [dadams@adamsins.net](mailto:dadams@adamsins.net).

**Q3:** Does TU's GCL insurance policy provide coverage for injuries or property damage suffered by a TU member or other participant in the course of a TU-sponsored event where the loss is not due to the negligence of another TU member?

**A3:** As indicated above, Coverage C of the CGL provides limited coverage for medical expenses regardless of fault where the injury occurs at a TU-sponsored event, but it is subject to several exclusions. Other than that limited Coverage C, coverage for a claim, whether medical expense, personal injury, or property loss depends upon whether the loss was caused by the negligence of a TU member. If there is no negligence causing the damages, then there is no coverage. For example, a TU volunteer is walking along the side of a river in the course of a TU work project, trips on a log, and is

injured. There is no coverage provided by TU's GCL insurance policy for the injuries and medical care resulting from the accident other than the limited coverage provided under Coverage C, if applicable. Chapters and councils, however, are able to purchase medical coverage in addition to the limited amount available under Coverage C. Please see question and answer 4, immediately below.

**Q4:** Can my chapter or council purchase accidental death or injury coverage for an event to cover injuries or death caused not by the fault of somebody, but by accident?

**A4:** Yes. TU offers additional accident insurance for TU chapters and councils that provides coverage for medical expenses incurred by someone injured at a TU-sponsored event, including youth camps, regardless of fault. The policy provides up to \$25,000 of medical coverage, and its current premium is \$115 for each chapter or council for each policy year. The policy year is from October 1 to September 30. Also included with the medical coverage are a \$15,000 accidental death benefit and a \$50,000 accidental dismemberment benefit. A chapter or council may increase this coverage limit to \$50,000 of medical coverage for a current total premium of \$155 per policy year. This policy is excess, which means that the policy only pays after all other collectible insurance has been exhausted. Despite this limitation, the policy provides important protection to chapters and councils when a participant in a TU-sponsored event is injured but does not have adequate health insurance, and TU recommends that chapters and councils purchase this insurance. Each chapter and council must itself opt for, and pay for, this coverage. A council cannot file for all the chapters in its state, for example. Any chapter or council interested in retaining additional accident insurance must fill out the [Accident Insurance Application](#) found in [the Risk Management section of the Tacklebox](#), and return it with your check for the premium amount to: *Trout Unlimited, 1777 N. Kent Street, Suite #100, Arlington, VA 22209*. Your completed application will be effective on the date the signed application and check is received by TU's national office. All payments must be made out to Trout Unlimited. Again, TU strongly recommends that all chapters and councils purchase this insurance.

**Q5:** Does TU's liability insurance provide coverage for TU members and volunteers who are involved in accidents while using their own or rented autos for TU activities?

**A5:** While TU's GCL does not provide coverage for auto-related accidents, TU has purchased a Commercial Automobile Insurance Policy (Commercial Auto) that provides liability coverage on an "excess" basis for members and volunteers who use their personally owned autos or rental autos for TU activities, subject to the policy's limitations. "Excess" means that the coverage applies only after all other collectible insurance has been exhausted. In practice this normally means that TU's insurance does not apply until the driver/owner's individual insurance policy limits have been exhausted.

TU's Commercial Auto policy, insofar as it provides liability coverage for TU members and volunteers who use their own or rented autos, generally applies only to land motor vehicles designed for travel on public roads or vehicles subject to state insurance requirements.

As with TU's other insurance forms, the Commercial Auto policy is subject to exclusions and involves a variety of definitions. It is important to determine if a vehicle is covered prior to assuming coverage exists.

Note that this Q&A addresses only liability coverage. TU's auto insurance does not insure volunteer-owned or volunteer-rented vehicles for other coverages such as medical payments, uninsured and underinsured motorist coverage, and collision and comprehensive coverage.

Also, keep in mind that this Q&A only addresses liability coverage for TU members and TU volunteers who use their own or rented autos for TU activities. It does not address liability coverage for chapters and councils that own their own autos. TU strongly discourages chapters and councils from owning any type of auto. If they do own such autos, those autos must be separately insured for liability and other coverages.

If you have any questions about TU's Commercial Auto policy, or the coverage it provides, please contact TU's insurance agent [Doug Adams](#) at [dadams@adamsins.net](mailto:dadams@adamsins.net).

**Q6:** What provides the best protection for chapters, councils, and their volunteers when they need to drive anyone, especially children, to or from a TU-sponsored event?

**A6:** The safest way to transport anyone, including children, to or from a TU-sponsored event is to hire a licensed and insured bus or van from a commercial company that also provides a professional driver. We strongly recommend that chapters and councils do that when transporting a number of people, especially children, sufficient to warrant the hiring such a bus or van. The biggest financial risk in the transportation of anyone is a catastrophic accident of a car, van, or bus

full of people. That risk can be minimized if a licensed and insured van or bus is rented from a bus or van company and driven by the company's professional driver.

**Q7:** If a chapter or council is not transporting enough people to warrant the hiring of a commercial bus or van company with a professional driver, is it better for the chapter or council to transport people in rental vehicles or to have volunteers drive their own vehicles?

**A7:** If volunteers rent vehicles to transport people for TU-related events and drive the vehicles themselves, the chapter, council, and volunteers have an additional layer of protection, as compared to volunteers driving their personal vehicles, because the rental companies are required by law to carry a minimal amount of liability insurance in most (if not all) states. Significant additional protection is provided above that required amount if the supplemental liability and damage coverage offered by the rental company is purchased.

It is important that your chapter or council check with the rental company that it plans to use to see whether the state-required, basic liability insurance and the supplemental liability insurance are "primary" (that is, whether they will pay first) over the driver's insurance in the event of a claim. If they are both primary, then the rental car company's insurance (both basic and supplemental) would help prevent the driver's personal insurance from coming into play.

In summary, using a licensed and insured commercial bus or van company that also provides a professional driver is the best way to transport people for TU-related events. If the number of people involved in the event does not justify that approach and if your chapter or council wants to provide additional protection for volunteers who will be driving people so that it is less likely that their personal insurance will come into play, then your chapter or council could transport people in rental vehicles driven by volunteers where the additional liability and damage insurance has been purchased. However, if volunteers drive people for TU events in their own vehicles, TU's insurance does provide liability coverage in excess over any other collectible insurance, including that of the driver.

As noted in Q&A 5, above, TU's auto insurance does not insure volunteer-owned or volunteer-rented vehicles for non-liability coverages such as medical payments, uninsured and underinsured motorist coverage, and collision and comprehensive coverage. For that reason, volunteers should strongly consider purchasing insurance which will provide such coverages when renting vehicles.

**Q8:** Does TU's liability insurance provide coverage for TU members and other volunteers who are involved in accidents while using their own mobile equipment (such as front-end loaders and tractors) for TU activities?

**A8:** TU's CGL provides liability coverage for TU members who use their own mobile equipment (such as front-end loaders and tractors) at TU events, subject to the policy's limitations and to the exclusion of some kinds of equipment. TU's CGL coverage applies in some, but not all, circumstances to volunteers at TU events who are not TU members. Chapters and councils should assure that TU members and other volunteers who offer their mobile equipment for TU events are experienced at handling their equipment safely and have adequate liability coverage for their equipment. This Q&A only addresses liability coverage for TU members and volunteers who use their own mobile equipment for TU activities. It does not address liability coverage for chapters and councils that own their own mobile equipment. TU strongly discourages chapters and councils from owning any type of mobile equipment. If they do own such equipment, that equipment must be separately insured for liability and other coverages.

Coverage under TU's insurance policies for liability stemming from the use of mobile equipment may be primary, shared, or excess based upon a number of factors.

**Q9:** Is there any coverage for property owned by chapters and councils, such as land, vehicles, equipment or trailers?

**A9:** There is generally no automatic coverage for any type for property owned by a chapter or council under TU's insurance policies. A chapter or council that owns land, vehicles, equipment and other property can add coverage for those items to TU's insurance policies with TU's and the insurer's approval. The items (if insurable) will be then insured under TU's policies and the cost of that insurance will be billed to the chapter or council each year

**Q10:** Does the TU liability policy cover boating accidents that occur during TU-sponsored events?

**A10:** TU's liability policy does provide coverage for bodily injury and property damage arising out of boating accidents for watercraft being used in a TU-sponsored event. You should assure that all boats associated with the event are less than 58 feet long and that no boats associated with the event will be used to carry people or property for a charge. Note that,

under TU's liability policy, "watercraft" is broadly defined to include crafts such as canoes, kayaks, pontoon boats, drift boats, and float tubes.

Boating events present good opportunities for your chapter or council to engage current or prospective members in TU's mission and to provide beneficial, on-the-water experiences for others. Boating events, however, present some risk of injury to the participants, and those events must be structured to minimize those risks. TU has prepared [a checklist for TU-sponsored boating events](#), and that checklist can be found on in [the Risk Management section](#) of the Tacklebox. The checklist sets out how your chapter or council can safely (and in an insured manner) sponsor events that involve watercraft, and the checklist should be reviewed well before any boating-related event your chapter or council is planning and should be complied with.

If you have any questions about the boating coverage under TU's liability policy, please contact TU's insurance agent [Doug Adams](#) at [dadams@adamsins.net](mailto:dadams@adamsins.net).

Please note that no part of TU (the national organization, chapters, councils, or the Coldwater Conservation Fund) should own any kind of watercraft. If your chapter or council owns a boat, please contact the Vice President for Volunteer Operations before you use it in any event.

**Q11:** Does TU insurance provide liability coverage for injuries or loss suffered by one TU member as the result of the negligence of another TU member?

**A11:** Yes, subject to the limitations of TU's liability policy.

**Q12:** What if a volunteer who is not a TU member attends a TU function and causes injuries or property damages to another person? Is there coverage for that volunteer under TU's liability policy?

**A12:** In some (but not all) circumstances, volunteers who are not TU members are covered by TU's liability policy for the actions they take on behalf of TU while working at a TU sanctioned event or activity. For more information on this issue, please contact TU's insurance agent, [Doug Adams](#) at [dadams@adamsins.net](mailto:dadams@adamsins.net).

**Q13:** What are the limits of TU CGL policy?

**A13:** TU does not publicly disclose its insurance limits but does disclose them to chapter and council volunteer leaders on request. If you council or chapter leadership would like to better understand the limits of our policy, please contact [TU's Vice President for Volunteer Operations](#).

**Q14:** Are there any geographical limitations that chapters and councils should be aware of with regard to TU's CGL policy?

**A14:** TU's CGL and Business Auto policies provide coverage in the United States, and in some limited instances, outside of the United States. Other policies which TU maintains have differing coverage territories. Please note that coverage available under TU's insurance policies may not be worldwide. For information regarding coverage under TU's insurance policies outside of the United States, please contact TU's insurance agent, [Doug Adams](#) at [dadams@adamsins.net](mailto:dadams@adamsins.net).

**Q15:** Does the TU liability policy cover youth events?

**A15:** TU's liability policy covers events involving children (that is, anyone under eighteen years of age), subject to the limitations and exclusions of the policy. As discussed above, councils and chapters have the option of purchasing [supplemental accident insurance](#), which covers physical injury to a participant in a TU event without regard to whether the injury was caused by anyone's fault.

It is vitally important that all of our programs involving children have as their highest priority the safety and well-being of the children who participate in them. [The Leadership Manual](#) contains detailed information on how chapters and councils can structure their events involving children to assure that those events are safe. The Leadership Manual addresses [background checks](#) (which are required for staff and volunteers at events involving overnight stays), [TU's Sexual Abuse Policy](#) (which must be read and signed by anyone planning to help out at TU-sponsored overnight events involving children), [sample written parental consent waivers](#) for children under eighteen years of age, [model release forms](#) to authorize the use of photos or videos of children and adults participating in TU-sponsored events, and the application of

[Trout Unlimited's Privacy Policy](#) to the contact information of children.

Some states (such as Pennsylvania) impose strict background check requirements on any adults (including volunteers) who have contact with children, and those requirements go beyond those required by TU.

If your chapter or council is planning an event involving children, please carefully review and comply with the provisions of [the Leadership Manual](#) concerning those kinds of events and find out and comply with any requirements of your state for those events. If you have any questions, please [contact TU's Headwaters Youth Education Director](#).

**Q16:** Should our local chapter use release forms in order to reduce our liability exposure?

**A16:** Yes. TU strongly recommends that each chapter and council obtain [written liability waivers](#) from participants involved in any TU event. Sample liability waiver forms (including liability waiver forms for boating events) are available in [the Risk Management section of TU's online Tacklebox](#). The requirements for a successful liability waiver form differ from state to state, and TU urges councils and chapters to have a local lawyer review the sample waiver forms and amend them as necessary to bring them into compliance with the particular state's law. A parent or legal guardian must sign the liability waiver form for a child (that is, anyone under 18 years of age) participating in a TU event, and there is a specific form for a parent or guardian to sign for a child.

**Q17:** Does TU provide coverage for liability caused by the serving of alcohol at TU events?

**A17:** While TU's insurance policies do provide liability coverage for claims related to the serving or consumption of alcohol, that coverage is limited, and it is technical.

The Risk Management Chapter of TU's Leadership Manual sets out in detail how chapters and councils can structure their events that involve alcohol to provide for the maximum safety of participants in the events and others and to assure that the events are structured to bring them within TU's liability insurance that relate to alcohol. Please review that section of the Leadership Manual before sponsoring an event that involves the serving of alcohol.

If for some reason your chapter or council is involved in planning an event at which it will charge (even indirectly) for alcohol, at which it will serve alcohol, at which the chapter or council will share (even indirectly) in the proceeds of the sale of alcohol, or at which your chapter or council is required to obtain a liquor license to serve or furnish alcohol, your chapter or council must contact volunteer operations staff well before the event is scheduled to occur. TU's Vice-President for Volunteer Operations will work with your chapter or council to assure that your event is structured to bring it within the coverage of TU's insurance policies. This same rule applies if your chapter or council is part of a group or coalition that charges for alcohol, that shares in the proceeds of the sale of alcohol, or that is required to obtain a license to serve or furnish alcohol.

Many states and local jurisdictions require non-profit organizations to obtain event or similar licenses before they can serve or furnish alcohol at events, and any chapter or council considering serving or furnishing alcohol at any event should check with its state and local authorities to determine if a license to serve or furnish alcohol is required for that event.

**Q18:** Is there any coverage for liability for food-based illnesses (i.e. undercooked meat at a tree planting event, etc.)?

**A18:** TU's GCL policy covers liability for food-based illnesses caused by the negligence of TU members. The supplemental accident policy referred to above also covers medical expenses for food-borne illness, subject to the limitations of the policy.

**Q19:** How does a chapter demonstrate that it is covered by TU's insurance policy? Is documentation available?

**A19:** Yes. A document called a Certificate of Insurance is available to all chapters and councils. A Certificate of Insurance is a standard document that indicates which persons and entities are covered by TU's insurance policy. [TU produces Certificates of Insurance](#) for TU staff, chapters and councils only. It includes, but is not limited to, the following information: chapter/council name; TU point of contact; event location; and telephone number. Outside partner groups are not covered by TU's insurance. If your chapter or council needs a Certificate of Insurance [please fill out our online form to request the Certificate of Insurance](#), which is found in [the Risk Management section of the online Tacklebox](#). Staff will try and accommodate all requests as fast as possible if that request is made at least two weeks prior to the event or project where the Certificate of Insurance is needed.

**Q20:** Our chapter has been asked to add another organization or business as an additional insured on TU's liability policy. Should we do this?

**A20:** It is common practice for partners of TU and its chapters and councils to ask to be included as additional insureds on TU's policies in appropriate circumstances. If your chapter or council is asked to add another organization or a business as an additional insured on TU's liability policy, your chapter or council must contact TU's insurance agent, [Doug Adams](mailto:dadams@adamsins.net) at dadams@adamsins.net. Only the insurance agent can add another organization or a business to any of TU's policies as an additional insured. Your chapter or council must also notify [TU's Vice President for Volunteer Operations](#) of requests from other organizations to be added as additional insureds on TU's policies.

**Q21:** Is it necessary for a chapter or council to secure bonding of council or chapter treasurers or other officers charged with handling funds?

**A21:** No. TU has coverage against a loss by embezzlement or other intentional wrongdoing by such persons, but deductibles do apply to that coverage. Chapters and councils must, however, take steps to assure that they have controls in place to minimize the risk of theft or other misuse of chapter and council funds and other property. TU's Board of Trustees has adopted a [Policy on Financial and Property Controls for Chapters and Councils](#), which set out requirements and best practices for chapters and councils to protect their assets from theft and misuse. That policy can be found at in [the Risk Management section of the online Tacklebox](#).

**Q22:** Increasingly, chapters and councils are asked to indemnify another group, corporation, or governmental unit for the actions of TU members or, in some instances, for the actions of others not related to TU. Is there insurance coverage for these agreements?

**A22:** Under indemnification and "hold harmless" provisions, a party agrees to assume legal responsibility for claims made against another party. The wording of indemnification provisions varies greatly. Some are limited to claims arising out of the conduct of TU chapters, councils, volunteers, and staff, while others impose on TU responsibility for the conduct of parties unrelated to TU. TU has limited and technically complex liability insurance coverage for claims covered by indemnification agreements undertaken by chapters, councils, and the national organization. Chapters and councils should not enter into an indemnification or hold harmless agreement unless the indemnification provision clearly states (1) that the chapter's or council's legal responsibility is limited to damages arising out of bodily injury or property damage caused by the actions or omissions of the chapter, the council, its employees, or its volunteers in connection with work done under the agreement and (2) that the indemnification provision applies only to the extent of the chapter's, council's, or TU's insurance. If a chapter or council is asked to sign an agreement with an indemnification provision that goes beyond these limitations or if it has any question about the obligations it would be undertaking in a proposed indemnification provision, it must contact [TU's Vice President for Volunteer Operations](#) well before the agreement is to be executed so Volunteer Operations staff can determine whether the provision is covered by TU's insurance. If a chapter or council does enter into such an agreement and the agreement goes beyond the coverage provided by TU's insurance, then any liability under that agreement is solely that of the council or chapter. A chapter and council should always avoid agreeing to pay attorneys' fees, expenses, or costs for another organization. More detailed information indemnification and "hold harmless" agreements and on contractual obligations generally is set out in the document titled "[Contract Guidance for Trout Unlimited Chapters and Councils](#)" available in [the Risk Management section of the online Tacklebox](#).

**Q23:** If a chapter incorporates itself, does such incorporation affect its coverage under TU's insurance policies?

**A23:** No. A chapter or council that is separately incorporated has the same coverage under TU's insurance policies as a chapter or council that is not separately incorporated.

**Q24:** In general, do the disadvantages of separately incorporating outweigh the benefits?

**A24:** There is generally no advantage for a chapter or council to separately incorporate. Chapters and councils are covered under TU's insurance coverage and under its 501(c)(3) non-profit, tax-exempt status regardless of whether they are separately incorporated. In most states, a chapter or council will need to be separately incorporated to own interests in real property, and some states or other grantors may require that a chapter or council be separately incorporated to receive specific grants. Separately incorporating imposes administrative burdens on chapters and councils. Each state imposes its own incorporation requirements, annual reporting requirements, and fees on corporations incorporated in that state, and failure to comply with those requirements may result in the chapter or council being out of compliance and

unable to act as a corporation. If your chapter or council has separately incorporated in the past, TU recommends that you consult with a lawyer in your state to confirm that incorporation is still the right choice for your chapter or council.

**Q25:** My chapter is interested in partnering with groups like Casting for Recovery. To participate, the chapter has been asked to sign a Memorandum of Understanding (MOU). Is this an acceptable practice and something other chapters do?

**A25:** In many cases TU chapters and councils sign MOUs with a variety of partner programs. MOU documents are intended to be clear and informative agreements that outline the primary responsibilities, roles, and expectations among key participants. In some cases, there may be a national-level template available for chapter/council use.

MOUs can be helpful to the extent that they set out clearly the obligations of the parties to the document and thus can help to avoid problems down the road about what each party's obligations are. Chapters and councils should be aware, however, that MOUs are binding contracts that impose enforceable obligations on the parties. Hence, they must be entered into carefully, and chapters and councils should only take on obligations that they are sure they can fulfill. Of particular importance is any provision of an MOU that addressed ownership of funds raised by the TU Chapter in the joint effort. TU's document entitled "[Contract Guidance for Trout Unlimited Chapters and Councils](#)," referred to above, contains more detailed information on how chapters and councils should address contracts and MOUs.

If you have any questions about proposed MOUs or would like to know whether such a national-level MOU template is available for the partnership your chapter/council is exploring, please contact [TU's Vice President for Volunteer Operations](#). To the extent that a proposed MOU seeks to have TU, a chapter or a council indemnify or hold another organization harmless, please see the question and answer on indemnification, above.

**Q26:** Are there any insurance issues when chapters receive donations for fundraising events such as guided trips and weekends at vacation properties owned by members?

**A26:** TU's insurance policies as described above apply. If outfitters, guides, lodges, and local fly shops donate guided fishing trips or lodge or cabin stays, chapters and councils should make sure that those outfitters, guides, lodges, and fly shops have their own liability insurance in place.

**Q27:** Is TU protected against restoration projects that fail at any point due to design error or other negligence?

**A27:** No. TU's insurance does not include coverage for engineering or design error for chapters and councils, even if committed by a TU member. If a chapter or council wishes to do a restoration project, the engineering work should be contracted out to a properly licensed, insured, and skilled engineering firm that will name the chapter, council, and TU national as additional insureds on that firm's policy. Similarly, when chapters and councils use contractors for their projects, they should use only licensed and insured contractors and should assure that those contractors name the chapter, council, and TU national as additional insureds on the contractor's policy. Whenever a chapter, council, or TU national is named as an additional insured on another person's or entity's insurance policy, the chapter or council involved should obtain a certificate of insurance from that person or entity and send that certificate to [TU's Vice President for Volunteer Operations](#). TU's document entitled "[Contract Guidance for Trout Unlimited Chapters and Councils](#)," referred to above, contains more detailed information on how chapters and councils should address construction-related contracts.

**Q28:** What should a chapter or council do if it receives notice of a claim or of a lawsuit against it or against any of its members arising out of TU activities or a subpoena requiring the production of documents or the giving of testimony?

**A28:** If any TU chapter or council receives notice of a claim or of a lawsuit against or involving any TU entity or is served with "legal papers" in any form (including a subpoena requiring the production of documents or testimony), [TU's Vice President for Volunteer Operations](#) should be notified immediately. This requirement also applies to an action against any TU member, including an officer or director of a chapter or council, in his or her capacity as a TU member. These lawsuits would include such things as claims of injury at a TU event, claims that a TU chapter, council, or member defamed another person, or claims that a chapter, council, or member otherwise acted wrongly. The defense of such actions may be covered by TU's general liability policy, its commercial auto policy, or by its directors-and-officers policy, but those policies require that the insurance carriers receive prompt notice of the claim or action.

As with any legal matter, persons involved in litigation should avoid making public statements or having discussions with representatives of the claimant or the claimant's insurer or attorney until the facts are gathered and counsel for the individual, chapter or council has been retained.

**Q29:** What steps must a chapter or council follow to initiate or otherwise participate in a lawsuit or administrative proceeding?

**A29:** TU's Board of Trustees has adopted [a policy on litigation](#), which can be found in [the Important TU Policies section of the online Tacklebox](#). That policy must be followed when a chapter or council is contemplating involvement in any litigation. The policy is designed to ensure that the national office and volunteer leaders are aware of and approve potential litigation before it is filed, to assure that the risks of the litigation (including the financial risks) are understood and provided for, and to ensure that filing decisions are made using consistent criteria.

Any time a chapter or council enters into any of the following legal actions using the TU name in any form it qualifies as litigation on behalf of TU and is covered by TU's litigation policy.

- Lawsuits filed directly in court;
- Lawsuits served on a party prior to a court filing;
- Appeals of actions of administrative agencies to either state or federal court;
- Intervention in litigation filed by others;
- An amicus brief filed in litigation involving other parties;
- Appeals of an administrative order to a court;
- A notice of intent to sue;
- Certain administrative proceedings as discussed in the policy.

The litigation policy provides detailed guidance and on what information must be provided to the national office on any contemplated litigation covered by the policy. The information required by the policy should be submitted as soon as it is prepared, but it must be submitted no later than 14 days before the contemplated time of filing. The policy also provides for monitoring of ongoing litigation.

**Q30:** What should a chapter or council do if it finds out that a chapter's or council's funds or other property have been improperly taken or otherwise misused?

**A30:** TU's Board of Trustees has adopted the "[Trout Unlimited Policy on Financial and Property Controls for Chapters and Councils](#)," and that policy provides detailed information on how chapters and councils can minimize the risk of the theft or misuse of chapter or council property and what to do in the event of such theft or misuse. That policy can be found in [the Risk Management section of the online Tacklebox](#). If a chapter or council discovers or suspects that money or other chapter or council property has been stolen, has been used for an unauthorized purpose, or has been used for a purpose inconsistent with TU's purpose, the chapter or council must immediately report that incident to [the Vice President for Volunteer Operations](#). That Vice President will immediately report the incident to TU's Chief Executive Officer, Chief Financial Officer, and General Counsel. TU's senior staff will respond promptly to any such report.

**Q31:** How should a chapter or council settle a claim against it or a claim that it has asserted?

**A31:** A chapter or council must not settle a claim against it or a claim that it has asserted against another party without working with TU's national staff and legal counsel. Settling a claim against a chapter or council without the approval of TU's insurers may jeopardize insurance coverage for the claim. Claims brought by a chapter or council need to be handled pursuant to [TU's litigation policy](#). The "[Trout Unlimited Policy on Financial and Property Controls for Chapters and Councils](#)" provides that only TU's Chief Executive Officer may settle claims involving the theft or misuse of chapter or council funds.

**Q32:** Our chapter fell victim to a fraud scheme where we wired funds to the perpetrator's account after the perpetrator impersonated one of our leaders or someone we do business with. Does TU's insurance policy provide coverage for the loss we incurred?

**A32:** Yes. This type of fraudulent scheme is known as "social engineering fraud". TU has coverage through its policy with Chubb with a \$250,000 limit and at \$50,000 retention. Unfortunately, since this is a new type of coverage, Chubb does not cover losses of less than \$50,000 at this time. For more information on this coverage, please contact TU's insurance agent, [Doug Adams](#) at [dadams@adamsins.net](mailto:dadams@adamsins.net).