

## FREQUENTLY ASKED QUESTIONS ABOUT INSURANCE

**Question:** What does my chapter need to do to be included under the MAFCA Insurance with J. C. Taylor.

**Answer:** The current Policy(s) from J. C. Taylor automatically include all MAFCA Chapters, Regions, and Special Interest Groups located in the United States, its protectorates and Canada. At this time, both the General Liability Insurance and the Directors & Officers Insurance are provided free to eligible Chapters and no additional information is required.

**Question:** Why does my chapter need D & O insurance and what does it cover?

**Answer:** Chapters rely on volunteers to serve as leaders in their organization. In today's world, these leaders could be subjected to legal action if a member felt they were not performing as the member wished. D&O insurance is financial protection against a breach of "duty" by Chapter directors, officers and committee chairpersons. D&O Insurance provides financial and legal defense coverage for actual or alleged wrong decisions. Coverage includes any actual or alleged act or omission, error, misstatement, misleading statement, neglect or breach of duty by an Insured person in the discharge of his/her duties. Although perhaps obvious, it should be stated that this insurance does not protect individuals from being sued for illegal acts.

While most lawsuits of this type are not successful, the burden to the volunteer is the cost of legal defense. Thus the "financial and legal defense coverage" is of significant value to our volunteers.

**Question:** Who is covered by the MAFCA General Liability Insurance?

**Answer:** General Liability Coverage protects a Chapter against any liability claims for bodily injury and property damage arising out of Chapter activities. Examples of covered activities are meetings, seminars, picnics, banquets, etc. The current Policy from J. C. Taylor automatically covers all MAFCA Chapters, Regions, and Special Interest Groups located in the United States, its protectorates and Canada.

**Question:** Why would my chapter need a Certificate of Insurance?

**Answer:** In many cases, third parties require that you prove that your members are covered under a General Liability Insurance Policy when using their facilities. The certificate of insurance is not an insurance policy. It is proof of insurance for third parties, such as schools, parks, building owners, etc. who require written proof of insurance as a condition of allowing your Chapter to rent or use the facility. It is issued by our Insurance Carrier. It is only issued for a specific event or events or meet to a specific party who has requested the certificate. Note that it can be issued to cover all meetings at specific location. The request for Certificate of Insurance is made to MAFCA HQ; [click here](#) to download it to your computer.

**Question:** Why can I not just request one Certificate of Insurance for all of our Chapter's planned activities for the year?

**Answer:** The certificate of insurance is not an insurance policy. A Certificate of Insurance is issued by our Insurance Carrier to specific third parties at a specific location for a specific activity. Thus, it can be issued to cover all meetings at a specific location. Note that it is only necessary to obtain this Certificate if a third party requests it as a condition of allowing your Chapter to rent or use the facility.

**Question:** Can I receive a Certificate of Insurance for the non-approved activities listed in MAFCA Insurance Policy P2S03?

**Answer:** No, a Certificate of Insurance will not be issued for non-approved activities.

**Question:** Will MAFCA Issue a Certificate of Insurance for a Parade?

**Answer:** This question has become one of the more frequently asked, so first the short answer and then an explanation.

No, MAFCA has determined it will NOT issue a Certificate of Insurance for a Parade.

Historically, MAFCA Chapters have participated in many parades. All that was requested by the Sponsors of the Parade was that vehicles in the parade have current Insurance on their vehicles. However, some local chapters are experiencing requests from parade sponsors to provide "Certificates of Insurance" issued to State Highway Departments and cities and towns that the parade passes through.

Providing General Liability Insurance is the responsibility of the Sponsor of the Parade. Providing General Liability Insurance to such public organizations has been determined by the MAFCA Board of Directors to be beyond the scope of the MAFCA provided Chapter Insurance. The MAFCA General Liability Insurance has been sized to protect normal Chapter meetings and tours; it has not been sized to indemnify a city or state during a Parade of unknown size, length, route, etc.

MAFCA recommends that each driver provide Proof of Current Automobile Liability Insurance to the Sponsoring organization when participating in a parade. This would typically be done by providing a copy of their own proof of liability insurance card from their insurance carrier. It is the cars in the parade that should be required to have current Liability Insurance, not the Chapter.

If a MAFCA Chapter is the Sponsoring organization, it must secure its own Liability Insurance coverage. This is beyond the scope of the MAFCA provided Chapter Insurance.

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