

# MAFCA INSURANCE - A 2008 UPDATE

March 10, 2008

It has been a year since the Board of Directors has updated you on MAFCA Insurance, especially as it relates to Chapters. Since recent improvements have been made to our coverage plans, I would like to make you aware of these changes.

First, and perhaps most significant, MAFCA has secured a new and enhanced Directors & Officers Insurance Policy. After 6 months of effort, the new Policy has been placed through J. C. Taylor, Inc. and it now includes coverage for not just the Corporation but ALL Chapters/Regions/Special Interest Groups located in the United States, it's protectorates and Canada. This coverage is automatic for your Chapter; you need do nothing! Even the Chapter cost for 2008 is zero. Although our desire and plan is to continue this free coverage to Chapters into future years, I am sure that you will understand that future Chapter cost decisions will have to be based on future insurance premium cost growth.

I will provide a brief discussion of D&O here. Additional information is available on MAFCA's web site <http://www.mafca.com/> on the MAFCA INFO page, should you require it. 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. This coverage benefits MAFCA Chapters in two significant ways. First, it removes the cost burden from Chapters that were purchasing their own D&O Insurance. Second, Chapters that were not able to afford D&O coverage may find it easier to encourage members to accept positions of responsibility.

MAFCA's General Liability Insurance continues to provide bodily injury and property damage coverage for Chapters. After last years significant premium increase, MAFCA is pleased to announce that it's 2008 renewal is within Budget and is safely confirmed for another year. This insurance is also provided free for all Chapters/Regions/Special Interest Groups located in the United States, it's protectorates and Canada. This insurance policy is designed to protect Chapters, their members and guests while participating in Chapter activities. It is not intended to protect the General Public, so for those types of activities you will have to provide your own coverage. MAFCA's General Liability Insurance obviously does not cover your Model A, which is covered by your automobile insurance policy.

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2008 Insurance Liaison

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