



# CLAIM SCENARIOS

## NON PROFIT DIRECTORS & OFFICERS LIABILITY

### \$50,000 defense costs only

The Department of Human Services brought a **breach of contract** claim against an Insured for not properly documenting services and providing false billing charges for meetings with clients regarding food stamp eligibility.

### \$7,250,000

A trade association with 3000 members self insured the members' workers compensation exposure. Workers compensation underwriting losses lead to the insolvency of the association. The members filed numerous suits including **class action suits** for allegations including breach of good faith, breach of contract, failure to report the financial condition, and failure to secure adequate premiums.

### \$100,000 defense cost only

Two years after 5 acres of property was donated to a foundation, the donor sought to **revoke his donation**. The Insured had already begun to develop the property as a residence for disabled children. While the judge found in favor of the Insured, significant costs were incurred.

### \$85,000 defense costs only

Residents living on an access road into a country club sued the club during a construction project to restrict the use of the road by construction vehicles. The complaint included allegations of **trespass, nuisance, and violation of easement**.

### \$75,000 defense costs only

A group of association members filed a lawsuit alleging the **recent election of a new board President did not follow the association bylaws**. Members argued that the 51% majority vote required was not obtained for the election to be valid.

### \$55,000

A potential vendor alleged that **bidding was rigged** when they did not receive a contract for an annual fund raising event.

*For all your Non Profit Directors & Officers Liability insurance needs, please visit our website at [www.phly.com](http://www.phly.com)*

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