

Effective May 1, 2002

CERTIFICATE OF INSURANCE

Named Insureds: Optimist International, Optimist International Foundation, Optimist International Foundation of Canada, Optimist Districts, Optimist Clubs, Corporate Partner Clubs, Member Club Foundations, Optimist International Youth Programs Foundation, Inc, Youth Clubs (Including Junior Optimist, Octagon, Collegiate Clubs, and Alpha Clubs). Club members and their spouses are added as additional insureds while acting on behalf of the organization. **Issued to:** Member Optimist Clubs

GENERAL LIABILITY INSURANCE (U.S. & CANADA)

Policy No	Carrier	Limit of Liability	Type of Coverage
9551561	New Hampshire Insurance Co.	\$1,000,000 (US) Occurrence \$1,000,000 (US) Products/Completed Operations Aggregate	Occurrence—Form

GENERAL LIABILITY - BODILY INJURY/PROPERTY DAMAGE COVERAGE

- Products—completed operations
- Broad form liability endorsement
- Blanket contractual
- Personal injury/advertising injury liability
- Automatic coverage on newly organized Optimist Clubs
- Extended bodily injury coverage
- Premises, operations and activities
- Elevators
- Owners and contractors protective
- Host liquor liability
- Fire legal liability—\$100,000 (US) limit primary
- Broad form property damage liability

Policy period May 1, 2002 to May 1, 2003

MAJOR EXCLUSIONS TO GENERAL LIABILITY POLICY

- Motorized racing, speed or demolition contests including but not limited to aircraft, hot air balloons, gliders including sky diving, motorcycles, cars and watercraft (all forms except under 26 feet)
- Non-motorized racing, speed or demolition contests in the following categories: BMX bicycles, gliders including sky diving and watercraft (all forms except under 26 feet)
- Operation and maintenance of carnival rides and equipment
- Boxing participants
- Club members as sports participants
- Pollution
- Asbestos
- Abuse and molestation-accused parties only
- Medical payments
- Care, custody and control - property of others

NOTE: These are primary exclusions related to club activities. For details and any other exclusions, contact Marsh Affinity Group Services (A Service of Seabury & Smith)

HIRED AND NON-OWNED AUTOMOBILE LIABILITY INSURANCE (U.S. & CANADA)

Policy No.	Carrier	Limit of Liability	Type of Coverage
9551561	New Hampshire Insurance Co.	\$1,000,000 (US) Occurrence	Per occurrence—combined single limit property damage & bodily injury

Policy period May 1, 2002 to May 1, 2003

MAJOR EXCLUSIONS TO HIRED AND NON-OWNED AUTOMOBILE LIABILITY INSURANCE

- Any auto owned by an Optimist International club or foundation
- Any motorized vehicle which is not a licensed automobile

(See Questions and Answers on reverse side)

GENERAL LIABILITY AND NON-OWNED AUTOMOBILE LIABILITY INSURANCE (OUTSIDE U.S. & CANADA)

Policy No.	Carrier	Limit of Liability	Type of Coverage
PHF058398	Ace American Insurance Co.	\$1,000,000 (US) Occurrence/ Policy Aggregate	Per occurrence—combined single limit property damage & bodily injury

Policy period April 1, 2002 to April 1, 2003

NOTE: This policy covers authorized clubs in Jamaica, Netherlands Antilles, West Indies, Hungary, Germany, Australia, Taiwan, Japan, Mexico, & Russia.

Umbrella policies shown below also cover these clubs.

- Coverages:**
- Commercial general liability insurance (excess and D.I.C. over valid and collectible primary insurance)
 - Broad form liability endorsement
 - Defense and supplementary costs
 - Automobile liability coverage not subject to policy aggregate
 - Worldwide coverage and jurisdiction
 - Non-owned and hired automobile liability to persons under 18 years of age
 - Asbestos
 - Nuclear power-related coverage
 - Aircraft liability
 - Bodily injury to athletic participants
- Major Exclusions**
- Professional liability
 - Contractual sole negligence

UMBRELLA LIABILITY INSURANCE

Policy No.	Carrier	Limit of Liability	Type of Coverage
UL0522615	New Hampshire Insurance Co.	\$10,000,000 (US) Occurrence \$10,000,000 Aggregate	Occurrence—follows form of primary coverage

(Host Liquor liability - Canada or U.S. Clubs)

MAJOR EXCLUSIONS TO UMBRELLA LIABILITY POLICIES

- All exclusions shown for Primary Coverage
- Uninsured and underinsured - motorists coverage
- E.R.I.S.A.
- Professional services liability
- Sexual Abuse and Molestation
- Discrimination
- Owned auto liability

Policy period May 1, 2002 to May 1, 2003

-For more specific information, please contact: Marsh Affinity Group Services (A Service of Seabury & Smith) 1440 N. Renaissance Drive, Park Ridge, IL 60068-1400 USA; Telephone 1-800-503-9227 (U.S. and English speaking Canadian clubs). FAX inquiries to (847) 803-4649. From Canada, French-speaking clubs may contact Diane Beaudin, Poitras Larue Rondeau Inc., 3925 Rachel East St., Suite 200; Montreal (Quebec) H1X 3G8; Phone (514) 899-5377 or 1 800 267-5377 or FAX (514) 899-5378.

IMPORTANT

The information contained herein is intended to serve only as a brief outline of various insurance coverages. To avoid any misunderstanding or misinterpretation as to the full scope of protection afforded, please inquire with Marsh Affinity Group Services (A Service of Seabury & Smith) for actual coverages, limitations and exclusions.

TYPICAL QUESTIONS AND ANSWERS

Liquor

- Q. What is liquor legal liability?
- A. It is liability imposed on persons or organizations in the sale of alcoholic beverages because of the violation of any statute or regulation pertaining to alcoholic beverages.
- Q. Does this policy cover the sale of alcoholic beverages?
- A. The policy provides liquor liability coverage for Canadian clubs and U.S. clubs provided the clubs are not in the business of manufacturing, selling, serving, or furnishing alcoholic beverages.
- Q. What is host liquor liability?
- A. When alcoholic beverages are served without charge at club functions to club members and guests.

Types of Events Covered or Not Covered

- Q. If our club contracts with others to conduct a special event, does this policy protect us?
- A. Yes, subject to the exclusions and conditions of this policy. Professional show participants are not covered, however, spectators would be. Optimist Clubs sponsoring professional shows should obtain certificates of insurance from the professional show, naming the Optimist Club and Optimist International as additional insured. Examples of events not covered include: hot air balloonists and carnival rides and equipment.
- Q. Are athletic events, picnics, parades, pancake days, dances, contests and similar activities covered for claims arising out of injury to public?
- A. Yes, subject to the exclusions and conditions of the policy and when there is legal liability resulting from negligence of an insured. When such activities are sponsored by Optimist organizations, but conducted by others, the other party's insurance is primary and proper certificates should be obtained, preferably naming the club and Optimist International as additional insured.
- Q. Is my club covered for sponsoring or organizing an athletic league or team, such as Tri-Star program, baseball, football, hockey, etc?
- A. Yes, you are covered for any athletic activity and the injury to participants or spectators, except for boxing and direct injury to Optimist Club members. But coverage only applies when there is legal liability resulting from negligence of insured.
- Q. My club sponsors a Boy Scout Troop. What is my club's coverage in such an activity?
- A. There would be defense coverage for the local sponsoring Optimist Club. The general liability coverage applies to Optimist sponsored and directly controlled activities.
- Q. What about Optimist sponsored float trips?
- A. Coverage is provided for watercraft 26 feet or less in length.
- Q. My club owns and operates a BMX track. Does the policy apply to this project?
- A. No. Racing, speed and demolition contests, including BMX bicycle races, are excluded. (However, if no racing or speed contest takes place, there is coverage.)
- Q. Does this policy cover events such as racing, speed or demolition contests, etc?
- A. No. In so far as it applies to motorized vehicles, the policy excludes claims arising out of ownership, maintenance, operation, use, loading or unloading of any mobile equipment while being used in any prearranged or organized racing, speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.

Automobile

- Q. Is there liability coverage of automobiles (including buses and trailers) hired by, rented by, or loaned to the Optimist organization?
- A. Yes, There is excess coverage for \$1,000,000 (U.S.) for the Optimist Club, District and International for any licensed auto which is hired or not owned by the clubs. However, it is recommended that the owners of the vehicle supply evidence of primary insurance (coverage \$500,000 U.S.CSL limits), and add the club and Optimist International as additional insured.
- Q. Are individual Optimist members covered for liability from the use of their own private passenger vehicles at club activities or while transporting youths?
- A. There is no coverage for the club member's liability. However, if the club is named in the claim, there is \$1,000,000 coverage for the club in excess of any insurance placed on the vehicle by the owner.

General Coverages

- Q. Is there medical payments coverage arising out of accidents sponsored by the Optimist Club regardless of negligence?
- A. No, there is no coverage for premises medical payments. However, any injury should be reported promptly to Seabury & Smith. The insurance company will then decide if there is liability on the part of the club. If there is, settlement would be negotiated.
- Q. Is an injury caused by an Optimist member assisting on an Optimist project covered?
- A. Yes, but only if there is legal liability resulting from negligence of an insured. Keep in mind no voluntary medical payments apply. Note that injury to an Optimist Club member would be excluded.
- Q. Does the policy apply to products liability?
- A. Yes.
- Q. Will our club need additional insurance and does this insurance coverage replace all kinds of insurance which are now purchased by every club?
- A. This policy does not provide all of the various types of insurance needed by a club. It is suggested that each club consult their local agent for any additional coverage.
- Q. Are any workers' compensation benefits provided?
- A. No. Clubs may want to purchase separate insurance.

Property

- Q. Is there coverage for damage to Optimist owned property?
- A. No.
- Q. Our club owns a refreshment trailer from which we sell food and beverages at fairs, carnivals, picnics or other functions. Does our policy cover this?
- A. Products liability for the sale of food and/or beverages is covered. The policy affords no property damage coverage for owned property.
- Q. Is there coverage for legal liability for damage to buildings or contents rented to or used by Optimist Clubs?
- A. Yes, only if damage is caused by fire. Coverage up to \$100,000 (U.S.) applies.

Bodily Injury

- Q. Is this a medical payment policy?
- A. No. It only covers bodily injury as a result of insured's legal liability.