



# SEXUAL ABUSE LITIGATION & COVERAGE CONFERENCE

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## TYPES OF COVERAGES POTENTIALLY AVAILABLE



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# Perrin Conference

October 2024

# Types of Coverages Potentially Available



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# SEXUAL ABUSE INSURANCE COVERAGE ISSUES CAN ARISE FROM DIVERSE FACTUAL SCENARIOS



SEX TRAFFICKING

MEDICAL PERSONNEL

RELIGIOUS  
INSTITUTIONS

KIDNAPPING

SOCIAL MEDIA

SCHOOLS

YOUTH SPORTS  
CLUBS

## Potentially Responsive Coverage Lines Beyond Historical and Conventional CGL

- ▷ Employment Practices Liability
- ▷ Professional Liability
- ▷ Broadform Educators' Liability
- ▷ E&O
- ▷ D&O
- ▷ Manuscripted or ISO Misconduct,/Abuse Coverage
- ▷ Hospital Professional/Med Mal
- ▷ Specialty Tail/M&A Wrap Coverage
- ▷ Additional Insured/Historical Corporate Linearity and Predecessor Coverage as Applicable to Multiple Lines

## Get Ahead of Documentation Issues “*Measure Twice. Cut Once*”



- ▶ Misconduct/Abuse claims are NOT analogous to asbestos or environmental claims. Treat them accordingly.
- ▶ Ossification is a problem.
- ▶ Anticipate beyond the initial allegations and claims. Think outside the box.
- ▶ Adherence to past practices as more applicable to other types of claims is NOT a good idea.
  - Policyholders - Prior searches may not apply
  - Insurers - Be mindful of rote search methodologies and constraining standard document requests
- ▶ Temporal Aspects – “Time on Risk” is not always “Time on Risk.”

# Relevant Policy Definitions



## Occurrence

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

## Bodily Injury

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

OR

"Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

## Personal Injury

"Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

## Advertisement

"Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

# Relevant Policy Definitions



## Expected or Intended

### Exclusions

This insurance does not apply to:

#### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

## Known Liability

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

## Liquor Related

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

## Health Professional

### I. INSURING AGREEMENT

We will pay on behalf of an **Insured**, **damages** up to the applicable Limit of Liability as a result of a **claim**:

- (i) for a **wrongful act** that took place on or after the **retroactive date**;
- (ii) first made against the **Insured** and reported to us during the **policy period** or any applicable **extended reporting period**; and
- (iii) that does not involve and is not the subject of **prior knowledge** or **prior notice**.

We will pay **defense costs** in connection with a covered **claim**. Such **defense costs** are in addition to the applicable Limit of Liability.

**Wrongful act** means any actual or alleged act or error in the rendering of, or failure to render, **professional services** by an **Insured** or by someone for whom the **Insured** is legally liable.

*“Wrongful act means any actual or alleged act or error in the rendering of, or failure to render, professional services by an insured or by someone for whom the insured is legally liable.”*



# Sexual Abuse and Molestation Exclusions (SAM)

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

**ISO CG 00 01 04 13:** Does not contain a standard abuse/molestation exclusion.

### **ABUSE OR MOLESTATION *EXCLUSION:***

“the actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured.”

### ***EXCLUSION – SEXUAL ABUSE AND/OR MOLESTATION:***

(1) The actual or threatened “abuse” or molestation or licentious, immoral or sexual behaviour whether or not intended to lead to, or culminating in any sexual act, of any person, whether caused by, or at the instigation of, or at the direction of, or omission by, any insured, his “employees”, or any other person;...



# Employment Practices Liability Exclusions

## Example A: Broad Abuse or Molestation

There is no coverage for damages arising out of →

1. The actual, alleged, or threatened abuse or molestation, including but not limited to sexual abuse or sexual molestation, of any person committed by anyone; or
2. The negligent:
  - a. Employment;
  - b. Investigation;
  - c. Supervision;
  - d. Reporting to the proper authorities, or failure to so report; or
  - e. Retention;

# Employment Practices Liability Exclusions



## Example B:

The Insurer shall not be liable under this Coverage Part to pay that portion of Loss on account of any Claim made against any Insured

Based upon, arising out of, or in any way involving →

1. The employment or retention of any person who actually or allegedly engaged in or threatened any Sexual Misconduct;
2. The supervision, training, or investigation of any person who actually or allegedly engaged in or threatened any Sexual Misconduct;
3. The failure to prevent, intervene, or suppress any actual, alleged, or threatened Sexual Misconduct; or
4. The reporting of or failure to report Sexual Misconduct to authorities; regardless of culpability, intent, or relationship of the actual or alleged perpetrator to any actual, alleged, or threatened Sexual Misconduct, or whether any Sexual Misconduct happened at any premises owned or operated by the Insured.



# Sexual Abuse and Molestation (SAM) Coverage

## Limits of Insurance:

### Limits of Insurance:

With vs. Without Reasonable and Up to Date Background Check

In the event that [Institution] has obtained and evaluated a reasonable background check on the full-time employee, coach or volunteer against whom an abuse or molestation allegation has been made, the “with reasonable and up to date background check” limits set forth in the schedule shall apply

The Sexual Abuse Each Occurrence Limit shown in the Schedule above, is the most we will pay for the sum of damages and medical expenses because of all “bodily injury” arising out of any one “sexual abuse occurrence.”

As of the effective date hereof, it is hereby understood that abuse or molestation coverage as described herein is in effect for [Institution] and the first named insured for any operations of [Institution]. The limits of insurance as this coverage applies are increased to [\$\$\$\$] for the first named insured, [Institution] and its full-time employees, coaches and volunteers for whom the insured obtained satisfactory background checks. Coverage as described herein will be subject to the maximum [\$\$\$\$] limit shown above [Schedule & Limits] if a satisfactory background check has not been obtained for the full-time employee, coach or volunteer involved in the abuse or molestation allegation.

# Insured – Underlying Defendants



Know your Coverage

Place insurer on notice IMMEDIATELY

No stone unturned approach

Notice of claim; notice of suit

If policy is lost, recreation is key

Keel track of tenders and responses



# Claimants – Underlying Plaintiffs

Draft Complaint to trigger coverage

Demand insurance policies from insureds  
(Informally or via discovery devices)

Broad and diverse allegations

Duty to defend is broad



- **Recent Coverage Court Decisions**

- **Youth Sports**

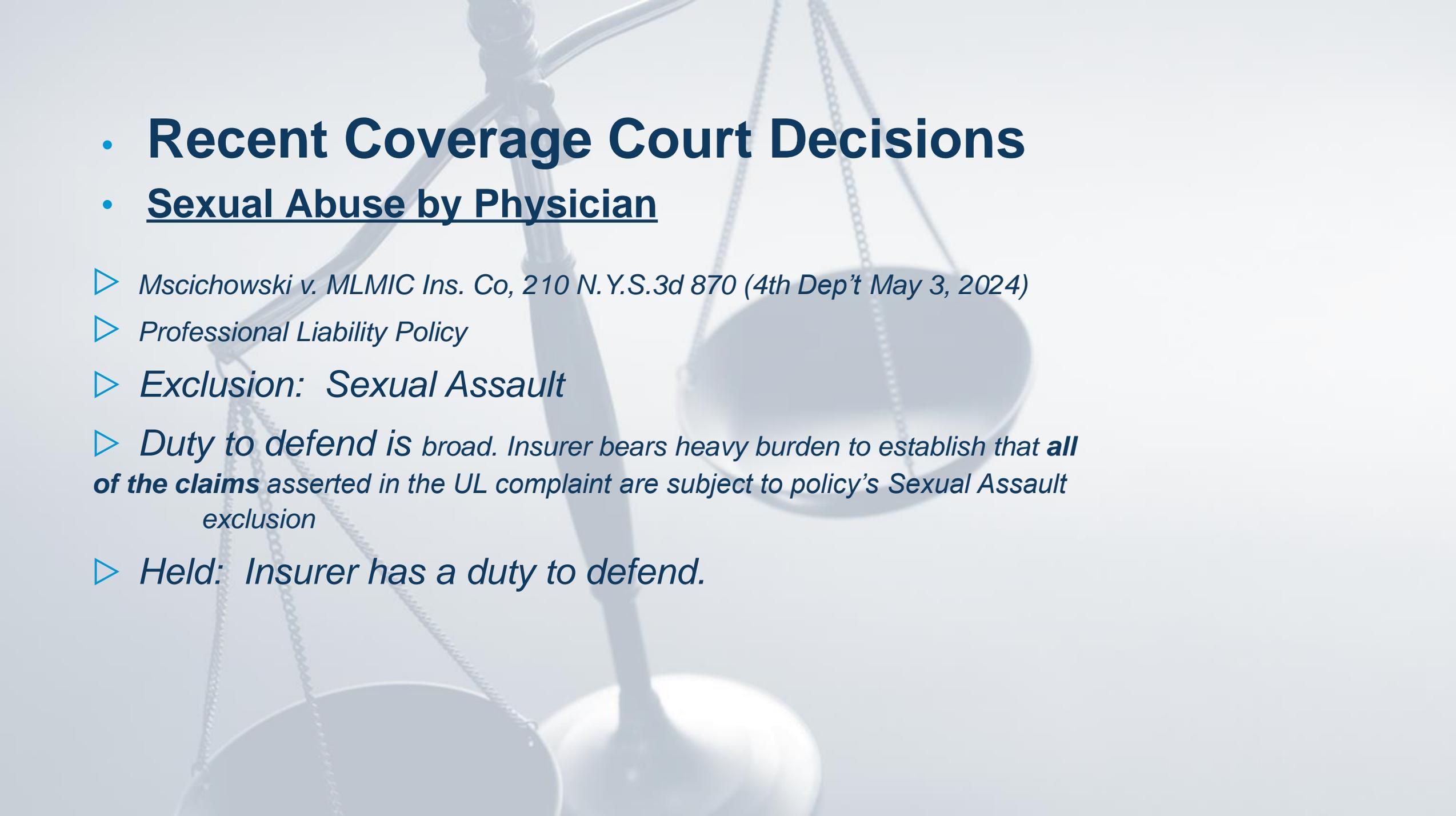
- ▷ *Madison Square Boys & Girls Club, Inc. v. Atlantic Specialty Ins. Co.*, 166 N.Y.S.3d 21 (1st Dep't 2022)

- ▷ *Management Liability Policy*

- ▷ **Covered:** Sexual harassment, including unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature

- ▷ **Exclusion:** Sexual misconduct and child abuse exclusions

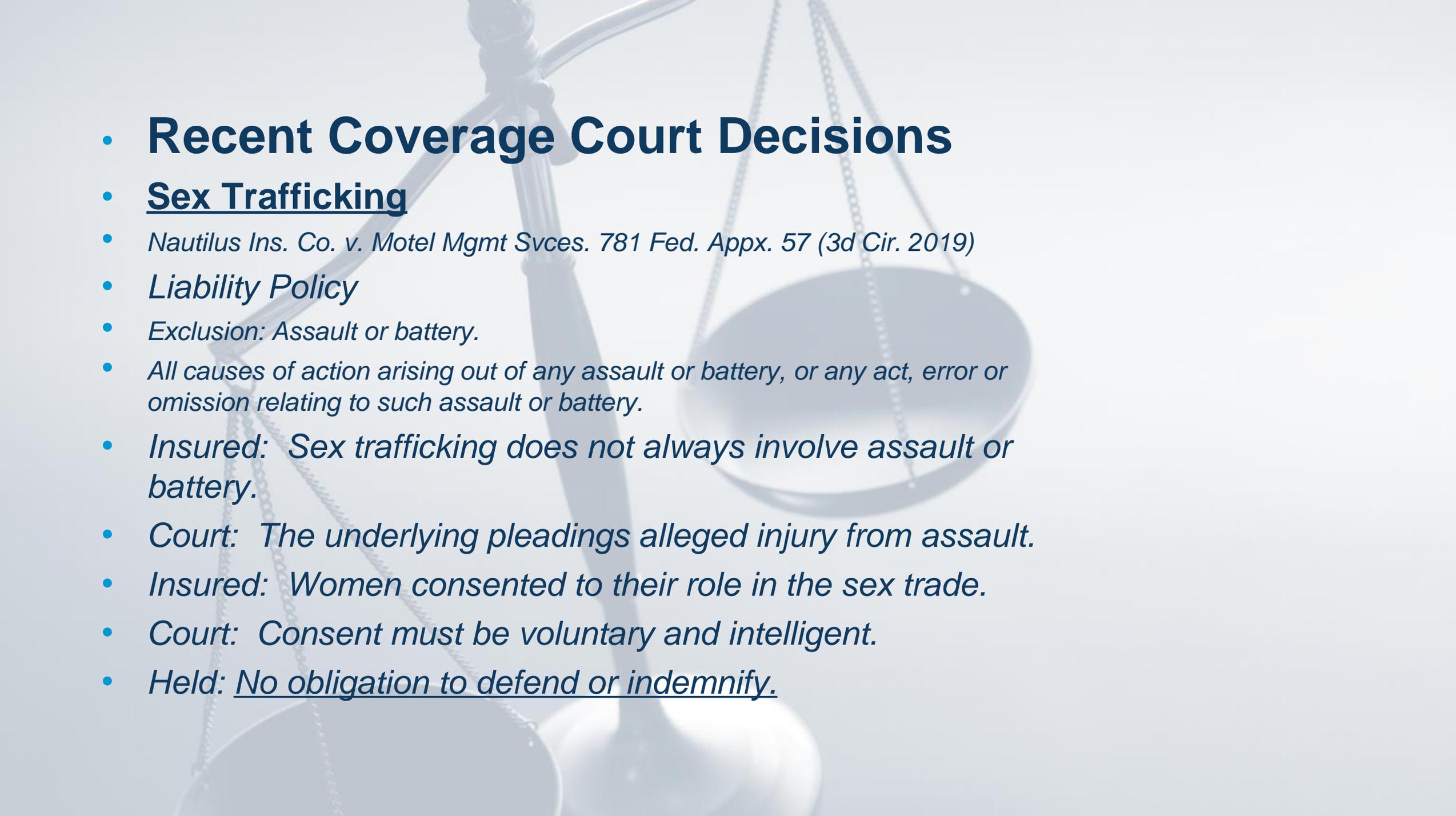
- ▷ **Held:** *Insurer has no duty to defend.*

A faint, light blue background image of a pair of scales of justice, symbolizing law and equity. The scales are centered and slightly out of focus, with the pans hanging from a central beam.

# • Recent Coverage Court Decisions

## • Sexual Abuse by Physician

- ▷ *Mscichowski v. MLMIC Ins. Co*, 210 N.Y.S.3d 870 (4th Dep't May 3, 2024)
- ▷ *Professional Liability Policy*
- ▷ *Exclusion: Sexual Assault*
- ▷ *Duty to defend is broad. Insurer bears heavy burden to establish that **all of the claims** asserted in the UL complaint are subject to policy's Sexual Assault exclusion*
- ▷ *Held: Insurer has a duty to defend.*



- **Recent Coverage Court Decisions**

- **Sex Trafficking**

- *Nautilus Ins. Co. v. Motel Mgmt Svces. 781 Fed. Appx. 57 (3d Cir. 2019)*

- *Liability Policy*

- *Exclusion: Assault or battery.*

- *All causes of action arising out of any assault or battery, or any act, error or omission relating to such assault or battery.*

- *Insured: Sex trafficking does not always involve assault or battery.*

- *Court: The underlying pleadings alleged injury from assault.*

- *Insured: Women consented to their role in the sex trade.*

- *Court: Consent must be voluntary and intelligent.*

- *Held: No obligation to defend or indemnify.*

# Discussion Scenarios



A 19-year-old girl joins a youth group at a health center in New York state from 1970-

- The church group is led by Rev. and Mrs. White and was a church group for a boy named Mark.
- Mr. White and Mrs. White are the only people who are allowed to go to meetings at the church.
- The church also has a girls' group where he begins abusing the boy when boy is 15.
- Mr. White begins to molest the girl and sexually abuses her.
- During the trip, Mr. White brings the girl to the church's national youth conference in Washington, D.C. The conference is held at the home of Rev. and Mrs. White and Mr. White abuses her during the trip.
- Mr. White also abuses the girl at a girl scout camp operated by a neighboring state's girl scout council. Mr. White abuses the girl at the camp.

# Discussion Scenarios



- 13 year old boy joins a local club soccer team.
- Coach begins grooming boy when he was 14, buying him gifts and taking him shopping.
- Boy's parents know the boy is spending time with the coach outside of soccer games and practices as do other coaches and league administrators.
- Coach drives boy in his car to his house where he begins abusing the boy when boy is 15.
- Abuse includes physical sexual abuse and the coach sending sexual photos to the boy on his phone.
- Abuse continues until and after boy turns 18 and no longer is a member of the team.



- Dr. Smith was a physician at a small liberal arts college health center in New York state from 1970-1995.
- Dr. Smith treated students but also treated athletes who are participating in club teams who train on the college campus. The athletic teams contracted with the college to provide health services for athletes.
- In 2022, former students and athletes brought claims alleging Dr. Smith sexually abused them during medical appointments in the health center on campus.
- Some of the victims of Dr. Smith's abuse were under the age of 18 at the time of the abuse and some were over 18.



- A 12 year old girl joins a youth group at her local church.
- The church group is led by Reverend Jones and a church member, Mr. White.
  - Mr. White and his wife Mrs. White also lead a girl scout troop out, which holds its meetings at the church.
  - The 12 year old also joins the girl scout troop.
  - Mr. White begins grooming and ultimately sexually abusing the girl.
  - In addition to abusing her at the church, Mr. White brings the girl to the church's national youth conference in Washington DC. The conference is put on by the national church organization. Mr. White abuses her during the trip.
  - Mr. White also abuses the girl at a girl scout camp operated by a neighboring state's girl scout council. Mr. White abuses the girl at the camp.

# Allocation of Claims Between Multiple Policy Periods

- Other Insurance Clause?
  - Escape clause
  - Excess clause
  - Pro Rata clause
- Horizontal Exhaustion
- Vertical Exhaustion

# Takeaways & Questions



These cases are not always simple, having a way to organize relevant information based on your fact pattern is important.

Know the interested parties – who to notify and when may impact the amount of recoverable coverage.

Know your coverage! Multiple types of coverage may cover/exclude different portions of a specific case pattern or may dictate how costs are to be allocated across policies. Be sure to keep an open mind and broad scope while deciphering policy language.



Questions?



# Discussion Questions



# Coverage Questions

- Who is named on complaint?
- What is the fact pattern as it relates to coverage?
- Where to look for coverage?
- Types of coverage may respond?
- Policy terms and conditions to consider?
  - Definition of BI and PI
  - Is there SAM coverage or exclusions?
  - Are there sub-limits or requirements?
  - Background and procedures required?
- Who knew what and when?
- Key scenario facts that will likely play into coverage?



# Example Policies



**ABUSE AND MOLESTATION CLAIM SUBLIMITS ENDORSEMENT  
(Defense Costs and Damages)**

This endorsement modifies insurance provided under the:

**PROFESSIONAL LIABILITY COVERAGE PART**

In consideration of the premium, solely with respect to the Professional Liability Coverage Part, the policy is amended as follows:

I. The Professional Liability Abuse and Molestation Claim Defense Costs aggregate sublimit, as set forth in the COI, is deleted and replaced by the following:

<b>Abuse and Molestation Claim Each Claim</b> Sublimit of Liability	\$ _____
<b>Abuse and Molestation Claim Aggregate</b> Sublimit of Liability	\$ _____

**Damages and defense costs** are included within and reduce the Abuse and Molestation Claim Sublimits set forth above.

II. Section III, Coverage Part Definitions, is amended to add the following:

**Related abuse and molestation acts** means all **abuse and molestation acts** that are based on, arising out of, or are logically or causally connected by the same, or any related or common, or a series of related or common, facts, circumstances, transactions, situations, events, advice or decisions.

**Related abuse and molestation claims** means all **claims** arising out of: (i) a **single abuse and molestation act**; or (ii) **related abuse and molestation acts**. All **related abuse and molestation claims** will be deemed a single **abuse and molestation claim**.

III. Solely with respect to the coverage afforded by this endorsement, the ABUSE AND MOLESTATION exclusion, set forth in Section IV, Exclusions Applicable To The Professional Liability Coverage Part is deleted in its entirety and replaced with the following:

This policy does not apply to any **claim, damages, defense costs**, expenses, fees or loss:

ABUSE AND MOLESTATION

based on, arising out of, or in any way involving, in whole or in part, any **abuse and molestation act** or **abuse and molestation claim** if established by: (i) a civil, criminal, administrative, licensing or regulatory final adjudication or binding arbitration; or (ii) legal admission by **such insured**; provided:

- (a) This exclusion will not apply to **defense costs** with respect to an **abuse and molestation claim**, or to **damages** we agree in our sole discretion to pay in the settlement or compromise of an **abuse and molestation claim**, up to the maximum amount of the applicable Abuse and Molestation Claim Sublimits of Liability.
- (b) In the event an **abuse and molestation act** is established against an **insured** by: (i) a civil, criminal, administrative, licensing or regulatory final adjudication or binding arbitration; or (ii) legal admission by such **insured**, then we will not provide any further **defense costs** or **damages** on behalf of such **insured** with respect to the **abuse and molestation claim**, or any other matter arising from such **abuse and molestation act**.

**•PROFESSIONAL LIABILITY COVERAGE - DOCTORS**



IV. The following subsection is added to Section V, Coverage Part Limits of Liability And Related Claims:

Sublimited Coverage (Abuse and Molestation)

1. Subject to paragraph 2, below, the most we will pay for **defense costs** and **damages** for each **abuse and molestation claim** is the Abuse and Molestation Claim Each Claim Sublimit of Liability set forth above.
2. The most we will pay for all **defense costs** and **damages** for all **abuse and molestation claims** is the Abuse and Molestation Claim Aggregate Sublimit of Liability set forth above. The Abuse and Molestation Claim Aggregate Sublimit of Liability applies regardless of the number of **abuse and molestation claims, abuse and molestation acts, insureds**, parties or requests for coverage.
3. All **related abuse and molestation claims** will be deemed a single **abuse and molestation claim** first made on the date the first of such **related abuse and molestation claims** was first made or deemed made. The Abuse and Molestation Claim Each Claim Sublimit of Liability applicable to such policy period will apply to all **related abuse and molestation claims**.
4. The Abuse and Molestation Claim Sublimits of Liability set forth above are the exclusive Limits of Liability applicable to any and all **abuse and molestation claims**, and are included within, and are not in addition to, the Professional Liability Limits of Liability set forth in the **COI**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



**AMENDED ABUSE AND MOLESTATION SUBLIMITS ENDORSEMENT  
(Where Required By Written Contract)**

This endorsement modifies insurance provided under the:

**PROFESSIONAL LIABILITY COVERAGE PART**

In consideration of the premium, solely with respect to the Professional Liability Coverage Part, the policy is amended as follows:

**SCHEDULE OF ABUSE AND MOLESTATION CLAIM SUBLIMITS OF LIABILITY**

Name of Contract	Each Claim	Aggregate
_____	\$ _____	\$ _____

I. The Professional Liability Abuse and Molestation Claim Defense Costs aggregate sublimit, as set forth in the **COI**, is deleted and replaced by the following:

Solely to the extent that increased **abuse and molestation claim** sublimits are expressly required by a written contract that is (a) listed in the Schedule above, and (b) executed prior to the **abuse and molestation act** that gives rise to the **abuse and molestation claim**, the Abuse and Molestation Claim Sublimits of Liability shown in the Schedule above replace the Professional Liability Abuse and Molestation Claim Defense Costs aggregate sublimit set forth in the **COI**. **Damages** and **defense costs** are included within and reduce the Abuse and Molestation Claim Sublimits above.

II. Section III, Coverage Part Definitions, is amended to add the following:

**Related abuse and molestation acts** means all **abuse and molestation acts** that are based on, arising out of, or are logically or causally connected by the same, or any related or common, or a series of related or common, facts, circumstances, transactions, situations, events, advice or decisions.

**Related abuse and molestation claims** means all **claims** arising out of: (i) a **single abuse and molestation act**; or (ii) **related abuse and molestation acts**. All **related abuse and molestation claims** will be deemed a single **abuse and molestation claim**.

III. Solely with respect to the coverage afforded by this endorsement, the ABUSE AND MOLESTATION exclusion, set forth in Section IV, Exclusions Applicable To The Professional Liability Coverage Part is deleted in its entirety and replaced with the following:

This policy does not apply to any **claim, damages, defense costs**, expenses, fees or loss:

**ABUSE AND MOLESTATION**

based on, arising out of, or in any way involving, in whole or in part, any **abuse and molestation act** or **abuse and molestation claim** if established by: (i) a civil, criminal, administrative, licensing or regulatory final adjudication or binding arbitration; or (ii) legal admission by **such insured**; provided:

(a) This exclusion will not apply to **defense costs** with respect to an **abuse and molestation claim**, or to **damages** we agree in our sole discretion to pay in the settlement or compromise of an

# Abuse Exclusions-feels messy



## •PROFESSIONAL LIABILITY COVERAGE – DOCTORS (BACKGROUND CHECKS ETC.)



**abuse and molestation claim**, up to the maximum amount of the applicable Abuse and Molestation Claim Sublimits of Liability.

(b) In the event an **abuse and molestation act** is established against an **insured** by: (i) a civil, criminal, administrative, licensing or regulatory final adjudication or binding arbitration; or (ii) legal admission by such **insured**, then we will not provide any further **defense costs** or **damages** on behalf of such **insured** with respect to the **abuse and molestation claim**, or any other matter arising from such **abuse and molestation act**.

V. The following subsection is added to Section V, Coverage Part Limits of Liability And Related Claims:

**Sublimited Coverage (Abuse and Molestation)**

1. Subject to paragraph 2, below, the most we will pay for **defense costs** and **damages** for each **abuse and molestation claim** is the Abuse and Molestation Claim Each Claim Sublimit of Liability set forth on the Schedule above.

2. The most we will pay for all **defense costs** and **damages** for all **abuse and molestation claims** afforded coverage by this endorsement is the Abuse and Molestation Claim Aggregate Sublimit of Liability set forth on the Schedule above. The Abuse and Molestation Claim Aggregate Sublimit of Liability applies regardless of the number of **abuse and molestation claims, abuse and molestation acts, insureds**, parties or requests for coverage.

3. All **related abuse and molestation claims** will be deemed a single **abuse and molestation claim** first made on the date the first of such **related abuse and molestation claims** was first made or deemed made. The Abuse and Molestation Claim Each Claim Sublimit of Liability applicable to such policy period will apply to all **related abuse and molestation claims**.

4. The Abuse and Molestation Claim Sublimits of Liability set forth above are the exclusive Limits of Liability applicable to any and all **abuse and molestation claims**, and are included within, and are not in addition to, the Professional Liability Limits of Liability set forth in the **COI**.

Optional Coverages - Sexual Misconduct Liability (defense expenses within limit) -OR- Abuse, Molestation, Harassment or Sexual Conduct Defense Costs Reimbursement



This Program includes two options for coverage for claims arising out of sexual misconduct:

**Option 1:** \$250,000 each "Insured limit" with \$1,000,000 aggregate for sums the insured becomes legally obligated to pay as damages because of loss arising out of any actual, alleged or threatened sexual misconduct. This limit is part of, not in addition to, the general liability limit selected.

**Option 2:** \$100,000 of coverage for reimbursement of defense costs only resulting from claims arising out of abuse, molestation, harassment or sexual conduct.

Do you want to add this coverage to this quote?  Yes  No, Thank You

1. Does your organization... (mark all that apply)

- Have employees?
- Have Volunteers/Independent Contractors?

2. Have any claims, allegations or charges of abuse, molestation or sexual misconduct been made against you or your organization or anyone working on behalf of your organization?  Yes  No

3. Are you aware of any occurrences that could lead to a claim?  Yes  No

4. Do you, your organization or sanctioning/governing body have written procedures and training in place that include all the following?  Yes  No

- How to recognize the signs of abuse and molestation
- All known, alleged or suspected abuse incidents must be reported to law enforcement
- Procedures are provided or available to all paid and volunteer staff, and sanctioning/governing body members
- No one-on-one situations allowed without visibility by others
- A supervision plan to monitor all participants at the facility/event site that also prevents access to secluded areas such as closets, unsupervised rooms, etc.
- A policy regarding appropriate and inappropriate physical contact, verbal interaction and electronic communications with children during and outside of regularly scheduled business activities

**NOTE :** The term "Volunteers/Independent Contractors" in the following questions means someone who exerts control over or supervises members/participants.

5. Are written applications required?  Yes  No  Yes  No

If yes, and if allowed by state and/or local law, do you include questions regarding past convictions involving physical violence or sex related offenses?  Yes  No  Yes  No

If yes and applicant checks yes, do you reject the applicant?  Yes  No  Yes  No

6. Are background checks provided by a third party vendor/service?  Yes  No  Yes  No

Do you reject an applicant with any history of physical violence or sex related offenses?  Yes  No  Yes  No

**Option 1**

Sexual Misconduct Liability  
\$250,000 each "Insured Event" limit  
\$1,000,000 aggregate limit

(Liability coverage for sums the insured becomes legally obligated to pay as **damages** because of loss arising out of any actual, alleged or threatened sexual misconduct)

Premium  \$150.00

**Option 2**

Abuse, Molestation, Harassment or Sexual Conduct  
Defense Costs Reimbursement  
\$100,000 aggregate limit

(Coverage which reimburses you for up to \$100,000 for **defense costs** resulting from claims arising out of abuse, molestation, harassment or sexual conduct)

Premium  \$100.00