

ClubPac News

June 2009

2009 Program Change Summary

As the premier golf club insurance program in the country we constantly review ClubPac to address trends, offer unique or improved coverages, control loss costs to keep premiums down, and/or respond to requests from brokers and club participants.

This year we have made a number of small coverage improvements and/or clarifications to the basic coverages. In response to requests, we have also added a number of new "options" and/or moved some basic coverages into the optional categories so that clubs who do not wish to pay for these do not have to do so.

Course & Greens Coverage - This basic coverage has been included with optional increased aggregate limits for some time, however for 2009 both higher limits "per hole" and the total aggregate are now available.

Windstorm & Hail Damage - to the **course and greens** has been removed from the **Basic** Perils and into the **Enhanced** Perils. Clubs who still want this coverage may purchase it by upgrading to the Enhanced Perils, but are no longer required to do so. It is worth noting that most insurers do not offer this coverage at all.

Weight of Ice & Snow - Full coverage will continue, as before, on the fully finished portions of the main clubhouse, but clubs may now buy "optional" coverage for their other buildings and their contents. Coverage options are:

- \$ 100,000. of coverage at \$300. premium per year, or
- \$ 250,000. of coverage at \$500. premium per year.

Safety Netting & Poles - Our files show that while only 20% of the clubs in Canada have safety netting, this equipment causes a disproportionate number of claims and costs to every club in the program. As a result we have removed these items from our Blanket Property of Every Description and now offer a separate line of coverage for only those clubs that require it.

This new coverage will be subject to a minimum "weather deductible" of \$10,000. and replacement cost will only be payable on netting under 3 years old.

Freezing of Pipes - Water damage to Buildings &/or Contents resulting from frozen pipes will be subject to a warranty that the heating is maintained or that the plumbing system is shut off and the system drained.

Rented Equipment & Carts - ClubPac has automatically provided up to \$100,000. of coverage for equipment or carts rented to the club for periods less than 30 consecutive days

- Increased limits of \$200,000. or \$300,000. are now available.
- This is a "Bailee's Liability" coverage, so all settlements are at Actual Cash Value.

Business Travel Accident - The Principal Sum limit on this coverage has been increased from \$50,000. to \$100,000. at no additional cost.

Directors' & Officers' Liability - Minor changes have been made to the wordings in order to clarify that claims resulting from the failure to obtain or maintain insurance, or adequate insurance, are not covered by the policy. This is the standard provided by most insurers.

Accidental Systems Breakdown - (often referred to as Boiler & Machinery coverage) Our files indicate that only a very small number of clubs do not currently include this coverage on their policy.

At the same time analysis of the claims indicates that the number of these claims over the past few years has been very low.

As a result, we are now automatically including this coverage on all ClubPac policies.

CLUBPAC NEWS is provided to participants of the CLUBPAC program to assist clubs in implementing good loss control practices and to keep them informed of trends and issues in the area of golf industry insurance. Clubs should refer to local "experts and authorities" for specific information about any "technical" or "legislative" issues mentioned. Clubs must refer to their policy wordings for complete terms and details of the actual coverage and exclusions.