



AMERICAN CONTRACT BRIDGE LEAGUE

2990 Airways Blvd. Memphis Tenn. 38116-3847



Richard G. Anderson
District 18 Director
2719 Jolly Place
Regina, Sk. S4V 0X8
Canada
H: (306) 761-1311
F: (306) 789-4919
Email: rgand@sasktel.net

(901) 332-5586
FAX: (901) 398-7754

August 18, 2005

ATLANTA ACBL BOARD OF DIRECTOR MEETINGS

The ACBL Insurance Committee has been reviewing our insurance coverage. Please read carefully the attached two sided page description of the coverage offered. I think it is of considerable importance for our Units and Districts to carry a general liability policy, that offers some protection against alleged bodily injury, property damage and libel. Presently the premium for general liability coverage varies according to the size of the organization. It is important to note that the policy has a high deductible amount. The committee is presently obtaining more quotations and other information. We hope to offer some more concrete guidance at the Fall meeting, including ways of how this coverage can be provided.

The Atlanta NABC experimented with new starting times (10am & 3pm) that received mixed reviews. The most vocal reactions came from those who did not like the non-traditional times. More input will be gathered, but it appears that for the foreseeable future, 1pm & 7:30pm will prevail.

I. FINANCIAL

1. The ACBL intends to have a break-even budget in 2006.
2. Effective January 1, 2006 clubs that do not utilize a later version of the ACBL Score that provides for electronic submission of accurate monthly reports will be charged an additional \$2.00US per game. There is still no additional charge (possibly till January 1, 2007) to clubs that do not use ACBL Score. Remember - clubs can update their version of ACBL Score at no cost.
3. Any player participating in either GNT or NAP events must be a dues paying or service fee paid up ACBL member prior to playing in any level of this event, except club qualifying.
4. Changed the hotel expense reimbursement for the first place finishers of the NAP District finals. They will receive a lodging subsidy equal to three nights lodging at the ACBL host hotel (instead of actual hotel cost).
5. Clarified our WBF dues for the 2004 and 2005 years: Management will remit the dues based on the base year of 2000 in accordance with the WBF policy, based on the ACBL calculated membership numbers. Our membership (presently 156,808) has increased by 773 from the figure a year ago.

II. TOURNAMENTS & CLUBS

1. The criteria for choosing NABC sites are changed to include, as a high priority, the popularity of the city.
2. A player's eligibility for Ace of Clubs and Mini-McKinney master points races shall be determined by his total master point holding at the start of the year.
3. Effective immediately reduced the penalty to a quarter board in regional and sectional events (unless the District determines otherwise) for fouling or misduplicating a board, when the offense causes the board to be scored as a fouled board, unless the Director determines that there are mitigating circumstances.
4. A member who is not in good standing shall not be entitled to serve in any elected or appointed position in the ACBL.

III. OTHER ITEMS OF INTEREST

1. The ACBL Marketing Department has engaged the firm of Simpson Inc. at the annual cost of \$200,000 to raise the public awareness of our game and promote bridge mainly at schools. Stay tuned for the evaluation of the effectiveness of this program.
2. Adopted the following minimum criteria for maintaining Unit status:
 1. Must conduct a Sectional Tournament at least once every two years unless exempted by the District Organization. (STAC do not meet this requirement)
 2. Must have an approved set of Bylaws and file a copy with ACBL Headquarters.
 3. Must hold an annual membership meeting.
 4. Must elect a Board of Directors for a specific term as stated in its bylaws.
 5. Must produce a written annual financial report and make it available to its District Director and any of its members upon request.
 6. Must have at least one club running sanctioned games in the unit.
 7. Must have enough ACBL members to accomplish #1-5 above.

Note: For Units not having Bylaws, the ACBL is offering a sample set, that can be copied.

This covers the highlights of the summer meetings. I look forward to seeing many of you in Saskatoon or at our Regionals coming up in 2006.

All the best in bridge.

Dick

DIRECTORS AND OFFICERS COVERAGE

This coverage protects your directors, officers, trustees, committee members or employees of the organization from claims arising from alleged wrongful acts.

I. What is Directors & Officers Liability Insurance?

Insurance protection for directors, officers, trustees, committee members or employees from claims arising from wrongful acts.

Wrongful acts are defined as: any actual or alleged error or misstatement or misleading statement or act of omission or neglect or breach of duty solely with respect to the individual or collective duties within the organization.

Does not protect against libel, slander or defamation.

What is General Liability Insurance?

Insurance protection from claims arising from alleged bodily injury, personal injury, or property damage liability. Does provide protection on suits for libel, slander and defamation (related to a covered event).

What do our existing insurance (ACBL) policies cover?

- A. General Liability: Injury/damage at ACBL sanction events.
- B. Umbrella Policy: Increases dollar coverage on General Liability
- C. Crime Policy: Protection after Treasurer receives monies

What are some of the obvious risks that are not covered by existing insurance?

Units, Districts and the ACBL will never receive insurance protection against illegal acts. For example, if a Unit decides that they do not need to file a tax return, this is a tax law violation and would not be protected by any coverage.

Wrongful acts by Unit/Districts. Example would be the authorization of games which conflicted against another game(s) and the injured tournament host files suit for damage.

Injuries to employees are not covered under the General Liability policy. Employees must be covered by the individual Unit or District Workman's Compensation Insurance.

Libel, slander or defamation growing out of an incident or incidents not related to a covered regional, sectional, STaC, NAOP or GNT.

Why is ACBL pursuing the subject of insurance for Units and Districts?

It is in the spirit of listening to our members and Board of Directors and providing what they may need that we offer this insurance. The assistance in obtaining these coverages have been requested directly to the ACBL and through individual District Directors.

Is the ACBL recommending that Units and Districts purchase this insurance?

ACBL management feels that it is our responsibility to point out potential gaps in insurance coverages of Unit and Districts and to negotiate the best possible premium for these coverages. We recognize the importance of adequate insurance coverage and may be able to exercise some financial muscle in obtaining better coverage and rates than the single Unit or District applying on their own. We also recognize that everyone is different and has different insurance needs. These proposed coverages are being made

available to assist Units and Districts if they feel that these coverages are important to them and if they feel rates are reasonable and affordable.

How does the ACBL Management recommend that Units and Districts evaluate these insurance proposals?

The matter of insurance coverage is a very serious subject that should not be taken lightly or solved through convenient channels. We have had an independent insurance consultant who is prominent in his profession and is a bridge player look at our coverages. He "recommends the D&O Policy for Units and Districts" and feels that the annual premium is reasonable. You may feel it is appropriate to confer with some local insurance professional or an attorney knowledgeable in this field for additional guidance about how this relates to your specific Unit/District and the reasonableness of the premium.

Are Districts and Units Conduct and Ethics Committees covered under the current D&O Policy of the ACBL or the General Liability Policy? What about coverage for such committees under the proposed policies?

Absolutely, committee members are protected under the ACBL General Liability policy for actions such as slander, libel, and defamation and other insured occurrences stemming from an incident which occurs during a regional, sectional StaC, GNT or NAOP covered event. Committee members are not covered under the ACBL Directors and Officers Liability policy. The two coverages that ACBL proposes to Units and Districts, D&O and General Liability insurance, will provide coverage to all committees for Wrongful ACTS (D&O) and for regular, daily (previously referred to as non-sanctioned) activity (General Liability).

Directors and Officers Insurance Policy offered to Units and Districts

Directors and Officers Insurance: Policy offered through Lipscomb and Pitts Insurance Company and underwritten by St. Paul Travelers Insurance Company.

Covers: Claims arising from alleged wrongful acts by directors, officers, trustees, committee members, or employees of the organization.

Wrongful acts are defined as any actual or alleged error or misstatement or misleading statement or act of omission or neglect or breach of duty solely with respect to the individual or collective duties within the organization.

Does not protect against libel, slander or defamation.

Premium: The annual premium for Units is \$475.00 and for Districts is \$1,270.00 with a renewal date of September 30, 2005. Premiums are prorated as purchased.