



ADDITIONAL INSURANCE FOR CHARTERING ORGANIZATIONS

November 18, 2013

Dear Chartered Organization Executive Officer:

As you know, the BSA has been providing Chartered Organizations general liability insurance for covered claims resulting from engaging young people and volunteer leaders in the Scouting program.

I'm pleased to inform you that a resolution providing indemnification (additional protection against loss or damage) for Chartered Organizations related to following BSA membership standards was reviewed and passed at the October 30, 2013 meeting of our National Board.

In addition to maintaining and providing general liability insurance, the BSA will now also defend and indemnify employees, directors, officers, members, and volunteers of a Chartered Organization who act in good faith against whom claims are asserted based upon following BSA membership standards.

While we do not anticipate claims, the board was pleased to provide this additional protection for our Chartered Partners to help all in reaching and engaging young people in the fun, adventures, and life enhancing values of Scouting. This indemnification became effective immediately and covers claims, if any, going forward but would not apply to conduct or occurrences prior to adoption of the resolution.

Attached are several documents for your reference:

[BSA Resolution Chartered Organization Insurance and Indemnification October 2013](#)

[BSA Chartered Org Communication Insurance and Indemnification Nov 2013](#)

[FAQ Additional Insurance Protection for Chartered Organizations Oct 2013](#)

If you have any questions regarding coverage, email [Chris Mehaffey](#) or contact him by phone at the Hingst Scout Service Center at 765-452-8253 or 800-844-0537.

Sagamore Council, Boy Scouts of America



**National Council, Boy Scouts of America
Membership Impact Department**

FAQ: Additional Insurance Protection for Chartered Organizations

The Boy Scouts of America provides Chartered Organizations general liability insurance for covered claims resulting from engaging young people and volunteer leaders in the Scouting program.

At the October 30, 2013 meeting of the BSA National Board, a resolution providing indemnification (additional protection against loss or damage) was reviewed and passed.

1. Does this mean the BSA increased its insurance coverage?

No. This resolution essentially confirms our existing coverage and adds chartered organization indemnification coverage in the rare instance of a claim related to BSA membership standards.

2. When is this resolution effective?

This resolution is effective immediately.

3. Does this change anything related to past litigation?

This resolution does not apply to any occurrences prior to the adoption of the resolution, except with respect to the selection of defense counsel.

4. What are covered claims?

Covered claims include actions against the chartered organization for injuries or damages arising out of official Scouting activities.

For more detailed information regarding the coverage and exclusions, please contact Mark Dama at mark.dama@scouting.org.

If you have any questions regarding the Q&A document please contact Lee Shaw, BSA Team Leader Business Development/Membership Impact at lee.shaw@scouting.org.

5. What about claims arising out of membership standards not covered by insurance?

As has been the practice of the BSA in the past, claims against chartered organizations arising out of BSA membership standards will continue to be defended by the BSA.

6. What does this mean to the annual charter agreement and annual charter renewal meeting with local chartered organizations?

The current version of the annual charter agreement is being updated reflecting this change. Continue to use the current version until the revision is distributed. As noted above, indemnification coverage became effective immediately. The resolution does not change the role of the local chartered organization, the executive officer, or the chartered organization representative in their duties related to the selection and approval of adult leadership for their units.

BOY SCOUTS OF AMERICA

RESOLUTION REGARDING INSURANCE AND INDEMNIFICATION OF CHARTERED ORGANIZATIONS AND USE OF CHARTER AGREEMENT IN CIVIL LITIGATION

WHEREAS Chartered Organizations and local councils play a critical role in the delivery of the Scouting program; and

WHEREAS the Corporation (The Boy Scouts of America) and its Chartered Organizations have experienced litigation trends and issues arising out of the interdependent relationships that have caused potential legal conflicts; and

WHEREAS the Corporation provides a general liability insurance program to Chartered Organizations so as to protect their interests in connection with the delivery of the Scouting program; and

WHEREAS it is in the best interests of the Corporation, Chartered Organizations to avoid some of the predictable and inherent conflicts arising out of their interdependent roles and obligations so as to strengthen the relationships and deliver the Scouting program without the uncertainty of potential conflicts;

NOW THEREFORE, it is hereby

RESOLVED, as follows:

I. That the Corporation will endeavor to continue to maintain and provide primary general liability insurance for Chartered Organizations for those organizations in connection with covered claims made as a result of the delivery in connection with official scouting activities.

II. That in addition to maintaining and providing the aforesaid liability insurance, the Corporation shall defend and indemnify Chartered Organizations, and their employees, directors, officers, members and volunteers, who act in good faith and against whom claims are asserted based upon the Corporation's membership standards.

III. That the Corporation will indemnify to the fullest extent permitted by the law of the state where the Chartered Organization is domiciled against an award of punitive damages against any Chartered Organization, its employees, directors, officers members and volunteers who act in "Good Faith". This provision would not apply to any conduct or occurrences prior to the adoption date of this Resolution.

IV. "Good Faith" as used herein shall require: (i) the Chartered Organization Representative take steps to remove from any involvement in the Scouting program any employee, officer, member or other person known or suspected of engaging in conduct that poses a risk of harm to others, including, but not limited to, actual or alleged acts of criminal conduct, violence, substance abuse, or reckless conduct involving motor vehicles or firearms. Reasonable

inquiry shall include at a minimum determining whether the religious and chief officers of the Chartered Organization have any such knowledge or information of the conduct described above. The Chartered Organization shall timely disclose to the local council, and the BSA upon request any such knowledge or information it obtains; (ii) prompt disclosure of any occurrence which may give rise to a legal action against the Corporation, Chartered Organization, local council or any of their employees, officers, volunteers or members; (iii) prompt written notice to the Corporation and an opportunity to participate in any settlement discussions related to claims for damages which arise in the course of the delivery of the Scouting program and (iv) adherence to applicable laws and the Rules and Regulations of the Boy Scouts of America.

V. This Resolution shall not be construed to require the Corporation or any insurance provided for the benefit of Chartered Organizations to indemnify any Chartered Organization or its employees, officers or members for acts intended or expected to result in harm or actions which are not in Good Faith as defined by this Resolution.

VI. In civil actions filed or threatened against a Chartered Organization after the date of this Resolution, the Corporation's legal counsel, or his or her designee, shall confer with the Chartered Organization over the selection of legal counsel to defend the Chartered Organization, its employees, officers, members and volunteers. The Corporation and the Chartered Organization shall make a good faith effort to mutually agree upon legal counsel to represent the Chartered Organization and its employees, officers, members and volunteers. This good faith discussion shall include the question of whether or not separate counsel should be retained to represent the interests of the Chartered Organization, its employees, officers, members or volunteer.

VII. In civil actions pending or filed against a Chartered Organization, the Corporation's legal counsel will not use the language of the Charter Agreement or the Charter Renewal Agreement, or any similar document outlining the responsibilities of the parties, to shift liability from the Corporation to the Chartered Organization.

VIII. The Corporation shall give not less than nine (9) months' notice to Chartered Organizations of any action to be taken to change the words or effect of this Resolution. Provided, however, that should general liability insurance become unavailable or unaffordable, the Corporation shall be required to provide such notice as is reasonably possible.

Provided, however, that this Resolution shall become effective only after financial institutions to whom the Corporation is obligated agree that the indemnification requirements in this Resolution do not violate any loan covenants or other agreements.

The undersigned, being duly elected and qualified Secretary of the Corporation, hereby certifies that the foregoing Resolution was duly adopted by the Board of Directors of the Corporation effective October 30, 2013.



BOY SCOUTS OF AMERICA®
NATIONAL COUNCIL

November 13, 2013

To: BSA Chartered Organizations

CC: Scout Executives, Cabinet, Regional Directors, Area Directors, Regional Operations

Subject: Additional Insurance Protection for Chartered Organizations

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If you have any questions regarding the Q&A document please contact Lee Shaw, BSA Team Leader Business Development/Membership Impact at lee.shaw@scouting.org.

If you have any questions regarding coverage, please contact Mark Dama, BSA Risk Management Team Leader at mark.dama@scouting.org.

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