



# International Academy of Mediators

Board of Directors Meeting  
November 8, 2021

## **STATUS OF D&O INSURANCE**

The Board will recall what it authorized the purchase of a D&O insurance policy with Philadelphia Insurance Company. It provided for USD\$ 1 million in coverage for an annual premium of USD\$ 1,088. It has worldwide coverage. That was purchased and is in place.

Recall also that our broker was unsuccessful in finding primary coverage for a higher amount with our requirement of worldwide coverage and was similarly unsuccessful in finding excess coverage over the Philadelphia policy.

UPDATE: Our broker has continued to look for excess coverage and, in doing so, went back to one of the companies who had rejected us earlier for primary coverage, Chubb Insurance. She spoke with a different Chubb underwriter who now is able to offer IAM USD\$ 2 million in primary coverage for a premium of \$1,810, with a \$5k deductible.

BOARD ACTION REQUESTED: Our broker (and I) recommend that we purchase the \$2 million Chubb policy and replace the Philadelphia one. It would transfer on the same date and, as long as we are aware of no claims, has no risk. The Philadelphia policy premium would then be prorated with a partial refund coming back to us.

We were not satisfied with limits of only \$1 million since those limits are eroded by defense costs. We should be more comfortable with \$2 million. A higher limit is not possible, nor is an excess, despite the best efforts of our broker.

Board approval is requested today, so that we can inform our broker and Richard can complete the necessary forms to put this in place.