

## Club Insurance Coverage – Vicarious Liability

The primary issue is "Guilt by association" / the legal term: "**Vicarious Liability**".

The basic explanation is if a member of a club is an unaffiliated member with the AFGA, the courts will use Vicarious Liability to determine liability. If you are an unaffiliated member, **you are still a member**. Therefore, the unaffiliated member could possibly be provided coverage, which was not reported to the AFGA and for which he/she did not pay for, under the program. (i.e. a club has 50 members but only 30 are AFGA the others are, according to the club, just unaffiliated members). As an unpaid AFGA member, because he/she is an unaffiliated member the club could still be sued as well as the AFGA (**guilt by association**).

The other side, depending on the claim investigation and the specific situation, is that the club could end up with no liability coverage at all. The insurance company could conceivably deny coverage to the club for misrepresentation and/or non-disclosure of a material fact. The fact being that there are unpaid members that may be covered due to vicarious liability.

The courts do not care if you are affiliated, unaffiliated, junior member or associate member. The courts base their decision on the determination, are you or are you not a member of said club. They do not care what kind of member you are or what type of member you are called. In the courts you simply are or are not a member of a club- period. Yes, the club & the AFGA can be sued for the acts of an unaffiliated member.

So the implications are very serious with respects to liability coverages for the clubs and the AFGA.