

The AFT is pleased to provide liability protection for claims or charges arising out of the employment activities of a member of a participating local. The Occupational Liability Insurance (OLI) and the self-insured Legal Action Trust work together to provide AFT members broad protection for legal defense costs and court judgments. Since this is a group plan, it can only be purchased by local affiliates on behalf of their members. Because the combined coverage protects participating members from a wide range of employment-related issues, including defense of alleged criminal acts, this brochure provides *only* a summary overview of the protection available to members. Coverage is determined based on the limitations and exclusions contained in the policy and Trust documents.

The OLI policy provides for damages and attorney fees from claims arising out of a member's employment activities due to: (1) accidental bodily injury (e.g., member opens a classroom door and breaks a student's tooth), (2) accidental property damage (e.g., member knocks a student's laptop computer to the floor, while explaining a concept) or (3) personal injury claim, such as slander, libel, false arrest, false detention, imprisonment or invasion of privacy. Examples include a locker search (invasion of privacy) or putting a message on Facebook that libels a student.

Coverage is provided for claims arising out of incidents that take place during the policy period. Note that the defendant must be a member in good standing of a participating local at the time of the incident. The member named in the charge is covered under the policy regardless of where the member is currently employed. This type of coverage is referred to as occurrence-based.

OLI provides up to \$1 million protection per member per occurrence for damages arising out of:

- Bodily injury
- Property damage
- Personal injury

subject to the limitations and exclusions in the policy.

The Legal Action Trust is designed to reimburse certain expenses not covered by any insurer, which a member is obligated to pay to defend any claim made against a member resulting from the following acts covered by the Trust:

1. Commission of a criminal act, where such charge arises solely out of the member's employment activities, the Trust will pay up to \$5,000 per member per year regardless of the outcome. Reimbursement up to \$35,000 is made only if the member is "completely exonerated." Complete exoneration means that a finding or verdict of not guilty has been entered into the record as to all charges of the criminal act, or a final order of dismissal has been entered into the record without appeal. In both instances, reimbursement is for reasonable and approved legal expenses.

If the criminal act is the result of corporal punishment, however, reimbursement of up to \$35,000 for defense costs incurred by the member will be made regardless of the outcome.



A Union of Professionals

AFT MEMBERS OCCUPATIONAL LIABILITY PLAN and LEGAL ACTION TRUST



A Union of Professionals

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2. Denial of constitutional rights where such charges arise solely out of the member's employment activities, the Trust will pay up to \$250,000 per member per calendar year and up to \$1million for any one incident.

3. Sexual abuse where such charges arise solely out of the member's employment activities, provided reimbursement shall only be made if the member is completely exonerated. The Trust will pay up to \$35,000 per member per calendar year not to exceed \$35,000 for any one incident. Sexual abuse means any actual, attempted or threatened sexual contact by a member including coercion or other conduct that results in a sexual contact between a child and any other person. Under no circumstance will the Trust make any payment if there is a settlement of any claim of sexual abuse or any payment is made on behalf of a member due to a claim or allegation of sexual abuse.

4. Sexual harassment where such charges arise solely out of the member's employment activities, provided reimbursement shall only be made if the member is completely exonerated. The Trust will pay up to \$35,000 per member per calendar year not to exceed \$35,000 for any one incident. Sexual harassment means any act or omission that is claimed to affect the status of a student or recipient of services of a member's employer, because of the gender of the person making the claim.

OTHER KEY PROVISIONS

- The Trust will reimburse a member for reasonable attorney fees for any appearance before an administrative agency, where the proceeding arises out of the member's employment activities, and involves the

DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

The member must notify AFT Program Administrator Thomas T. North Inc. *in writing*, as soon as practicable, of an occurrence or offense that may result in a claim. Thomas T. North Inc. will determine whether the claim is processed under OLI, the Trust or both.

Thomas T. North Inc.
2000 South Batavia Ave. Suite 250
Geneva, IL 60134
Toll-free phone: 866-238-2388
Toll-free fax: 866-238-2385
E-mail: AFT@northcoinc.com

For a claim form, go to:

<http://go.aft.org/OLIclaimform>

The written notification, which is a part of the claim form, should include the following:

1. A letter from the local indicating that the member was in good standing at the time of the incident,
2. A description of how, when and where the occurrence or offense took place,
3. The names and addresses of any injured persons and witnesses,
4. The nature and location of any injury or damage arising out of the occurrence or offense,
5. The name, address, phone and e-mail of claimant's attorney, and
6. The name, address, phone and e-mail of member's or local's attorney.

If a claim is made or suit is brought against any covered member, he/she must:

1. Immediately record the specifics of the claim or suit and date received, and

2. Provide Thomas T. North Inc. with copies of all related correspondence including the summons, claim or suit as soon as practicable.

Members must:

- a. Send Thomas T. North Inc. copies of any demands, notices, summons or legal papers received in connection with the claim or suit,
- b. Authorize Thomas T. North Inc. to obtain records and other information,
- c. Cooperate with Thomas T. North Inc. in the investigation or settlement of the claim or defense against the suit, and
- d. Assist Thomas T. North Inc., upon its request, in the enforcement of any right against any person or organization that may be liable to the insured because of an injury or damage to which the insurance also applies.

If the damages and/or attorney fees are covered, payment will be made when the following have been received by the administrator:

1. Verification of membership on the date of the incident from the local union and determination that the local participates in the program,
2. Certification of dismissal or exoneration of charges or other disposition of the case, and
3. A complete and detailed listing of all legal fees and incidental charges for which the member seeks reimbursement.

If you have questions, call Thomas T. North Inc. toll-free at 866-238-2388.

