
GLOSSARY OF TERMS

Aggregate Limit: A limit in an insurance policy stipulating the most it will pay for all covered losses sustained during a specified period of time, usually one year. Aggregate limits are commonly included in liability policies and apply per chapter location.

Bodily Injury: Injury to the body, sickness or disease sustained by a person, including death resulting from any of these at any time.

Certificate of Liability Insurance: This is a certificate issued by the insurance company detailing the particulars of the insurance coverage in place for all chapters and regions under the general liability policy. This certificate may be used to document the existence of coverages for chapters and regions. This document is not sufficient when a third-party requests a certificate where they are named as an additional insured.

Certificate of Liability Insurance for an Additional Insured: This is a certificate issued by the insurance company detailing the particulars of the insurance coverage in place for all chapters and regions under the general liability policy. This document specifically identifies a third party as being expressly covered under the general liability policy for a specified period of time (i.e. an additional insured). This form of insurance certificate is often requested by facilities where chapters or regions are planning to hold events.

Claim: An incident where the injured party is making a demand for compensation under the terms of an insurance contract.

Director's & Officer's Liability Insurance: Offers directors and officers protection from personal liability and financial loss arising out of wrongful acts committed or allegedly committed in their capacity as officers and/or directors.

Exposure: The measure of your vulnerability to loss.

General Liability insurance: Coverage that pertains, for the most part, to claims arising out of the insured's liability for injuries or damage caused by ownership of or responsibility for property, sale or distribution of products, and liability for the insured's operations.

Incident: An occurrence involving bodily injury to a member or guest that does not result in a formal claim. All incidents must be reported when discovered due to possibility of them becoming a claim.

Intentional Act: Deliberately fraudulent acts or omissions, wanton, willful, reckless or intentional disregard of any law or laws.

Occurrence: An accident, including continuous or repeated exposure to substantially the same general, harmful conditions.

Property Damage: Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the “occurrence” that caused it.

Underwriting: The process of selecting risks for insurance and classifying them according to their degree of insurability, so that the appropriate rates and premiums may be assigned. The process also includes rejection of those risks that do not qualify.

*Have we missed a term that you would like
to see explained?*

*Email sara_sterley@mjinsurance.com with
your suggestion. Thank you!*