



■ COVERAGE GUIDE



VFIS associates participating in fire school training.

“FIRST ON THE SCENE ... STILL RESPONDING.”[®]

Service to clients is the cornerstone of the VFIS program. That means prompt, fair and responsive claims service. It means investing the energy, experience and funds necessary to develop valuable Education and Training Services, like driver training, risk management, health and safety, and vehicle operator programs designed to assist emergency service clients in operating more safely, efficiently and effectively.

© VFIS 2004

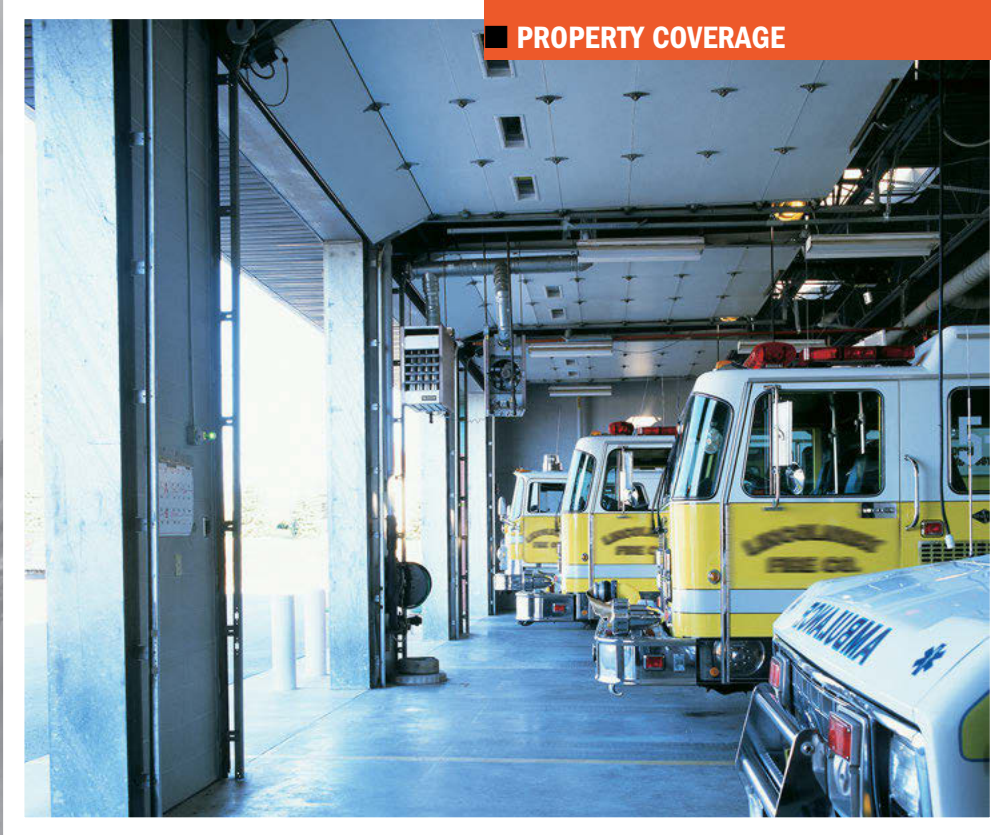
All rights reserved. No part of this work covered by the copyright hereon may be reproduced or used in any form by any means—graphic, electronic, or mechanical, including photocopying, recording, taping, or information storage and retrieval systems—without the written permission of VFIS

*This is not a policy, nor is it intended to be interpreted as such.
For actual policy benefits, please see the actual policy.
Coverages may not be available in all states.*

CONTENTS

■ PROPERTY COVERAGE	
Definitions	3
Provisions	3
Causes of Loss	4
Extensions	4
■ PORTABLE EQUIPMENT	
Extensions	7
■ AUTOMOBILE	
Liability Definitions	9
Physical Damage	
Definitions	10
Valuation	12
■ GENERAL LIABILITY	
Definitions	15
■ MANAGEMENT LIABILITY	20
■ EXCESS LIABILITY	20
■ ACCIDENT & SICKNESS	22
■ GROUP LIFE	22
■ LENGTH OF SERVICE	
AWARDS PROGRAM	22
■ CRITICAL ILLNESS	22
■ RISK CONTROL SERVICES	23
■ EDUCATION, TRAINING	
& CONSULTING SERVICES	24

PROPERTY COVERAGE



PROPERTY COVERAGE Definitions

Buildings (Real Property) Real Property includes building extensions, machinery, fixtures and equipment that form a permanent part of the building. Air cascade units not designed to be used off premises and equipment used to service the building are also included.

Contents (Personal Property) Personal Property includes furniture, office equipment, base stations, and so forth associated with a premises described in the Declarations. This will include covered property located in a building, or away from your premises altogether. Personal property also includes all computer hardware used in your operations. Coverage for portable equipment is offered separately.

Loss of Income Coverage is provided for the loss of income directly resulting from interruption of operations caused by a covered loss to your building or contents or at a site used for your fund raising activities. An example of this coverage is the revenue that will be lost when you are unable to hold weekly bingo games due to a fire at your premises. VFIS will pay for the loss of income your organization sustains during the period of restoration up to twelve months (24 months in New York).

Extra Expense Coverage is provided for expenses you incur over and above your ordinary business expenses, which are necessary to avoid or minimize the suspension of business and return to normal operations following a covered loss. VFIS will pay for extra expenses your organization incurs during the period of restoration up to twelve months (24 months in New York).

The VFIS program insures your property on either a *Guaranteed Replacement Cost*, *Replacement Cost*, *Actual Cash Value* or *Functional Replacement Cost* basis.

PROPERTY COVERAGE Provisions

Guaranteed Replacement Cost Coverage

Guaranteed Replacement Cost (GRC) coverage pays to replace your building, without deduction for depreciation, even if the replacement cost is greater than the limit you selected. You must carry a building value acceptable to us to qualify for this coverage. Additionally, when you qualify for GRC coverage, there is no coinsurance provision applicable to either partial or total losses.

EXAMPLE of a Claim

Here is an example of what **Guaranteed Replacement Cost** could save you in the event of a total loss.

	With GRC	Without GRC
Policy Limit	\$100,000	\$100,000
Actual Cost To Replace	\$125,000	\$125,000
Policy Pays	\$125,000	\$100,000
Insured Pays	\$0	\$25,000

Replacement Cost Coverage

Replacement Cost coverage pays to replace your property with property of the same kind and quality as determined at the time of loss, up to the limit of the policy. Loss or damage to contents is valued using this method unless otherwise noted in the proposal or policy.

Coinsurance

In most property forms, this provision requires you to bear a portion of a loss if, **after the loss**, it is determined that you failed to carry adequate limits. VFIS takes a different approach. No coinsurance provision applies unless we have reason to believe, **at the time the policy is issued**, that your limits are not adequate. As long as you carry *Guaranteed Replacement Cost* on your buildings or *Replacement Cost* on your contents, you will not be subject to a coinsurance penalty.

Deductible Waiver

If a loss under the property policy also involves losses under an automobile physical damage policy and/or portable equipment policy insured by the VFIS program, only one deductible, the largest, will apply. You **will not** be charged multiple deductibles for a single incident.

EXAMPLE of a Claim

While backing a ladder truck into the station, the driver accidentally hits the side of the station door causing a support beam to collapse. The collapse pushes bricks and mortar into the truck's compartment doors and also damages the enclosed equipment. The Waiver of Deductible clauses in the Property, Portable Equipment and Auto Physical Damage policies provide that only one deductible, the largest, would be applied to the loss settlement.

PROPERTY COVERAGE
Cause of Loss

The VFIS program insures your property against all causes of direct physical loss except those specifically excluded. The VFIS program provides broader coverage than most companies by including coverage for:

- Flood
- Earthquake
- Volcanic Eruption
- Back-up of Sewers and Drains
- Artificially Generated Electrical Currents
- Interruption of Power
- Changes in Temperature or Humidity
- Building Ordinance
- Glass
- Mechanical Breakdown for Computer Hardware

Not all companies' forms provide the same coverage. You need to compare exclusions in the forms to determine what is and what is not covered. Some of the more important exclusions in the VFIS policy are listed below:

- Employee/Volunteer Dishonesty*
- Mysterious Disappearance
- Asbestos
- Wear and Tear

*The VFIS program can protect your organization even further by insuring this exposure when you purchase Fidelity Bond coverage.

PROPERTY COVERAGE
Extensions

The VFIS program includes many provisions that provide you additional coverages including those listed below. The limits listed for these extensions apply in addition to any other applicable limits. The property deductible applies to all Property Coverage Extensions except as noted.

Description	Limit(s)
Commandeered Property	Full Replacement Cost/Loss of Use
Software	\$250,000
Valuable Papers and Records	Actual Costs Incurred
Accounts Receivable	Actual Costs Incurred
Money & Securities	\$10,000
Sirens, Towers, Antennas & Similar Equipment	Included in Building Coverage
Personal Effects on Premises	Full Replacement Cost for Members \$1,500 per Person for Non-Members Primary, No Deductible
Trees, Shrubs, Plants and Lawns	Replacement Cost as per Policy
Debris Removal Expenses	Actual Costs Incurred

Ordinance Coverage

Even though you may have suffered a partial loss to your building, local laws and codes may require you to demolish the undamaged portion of your building. You could also be required to upgrade your building to comply with current construction, zoning or land use laws or ordinances. Most property policies do not reimburse for these increased costs.

Ordinance coverage pays for the loss of value of the undamaged portion of the building, including the demolition cost, and the increased cost of construction due to the need to comply with the current building, zoning or land use laws and ordinances. When applicable we will pay an additional amount, up to 100% of the direct physical loss total, to demolish the undamaged portion, and to rebuild according to code. This coverage applies to all buildings that are subject to *Guaranteed Replacement Cost and Replacement Cost*.

EXAMPLE of a Claim

A fire department suffers a fire loss to their social hall which destroys their kitchen, rest rooms and part of the banquet hall. During the process of estimating their damages, it is discovered they will need to upgrade their electrical service in order to comply with the current local building codes and alter and expand the rest room facilities to be in compliance with ADA regulations. These increased costs will be paid as part of their loss under the policy's Ordinance coverage.

Commandeered Property of Others

Commandeered Property is the property of others that you seize or borrow for official use in an emergency situation. At your request, this coverage provides reimbursement to the owner for damage to the property and the loss of use that results.

Commandeered Property includes, but is not limited to, watercraft, tools, and equipment. Coverage is written on a *Replacement Cost* basis. Commandeered Property does not include automobiles. You will find coverage for that exposure later, in the Automobile section.

EXAMPLE of a Claim

A department responds to a farm fire and upon arrival finds the machine shed fully involved. The fire is spreading into large round hay bales stored between the shed and a large barn. Across the road a new housing development is being started where a bulldozer is sitting. The chief orders a firefighter to take the bulldozer and push the hay from between the two structures. In doing so, the barn is saved and the fire contained, but the bulldozer's hydraulic lines and paint are damaged. Both the damage to the bulldozer and the owner's loss of use of the bulldozer are covered.

PROPERTY COVERAGE Extensions

Software

Software is covered up to \$250,000 for damage resulting from the covered causes of loss, computer virus, and the mechanical breakdown of computer hardware. Also covered are other expenses typically associated with software losses such as accountant's fees and investigative costs of engineers and programmers. Higher limits are available upon request. Coverage for hardware is included in contents.

Money & Securities

A limit of \$10,000 per occurrence is provided for loss of your money or securities and money or securities of others in your custody. Higher limits are available upon request. Coverage applies both at your premises and away from your premises.

Personal Effects

The personal effects of people at your premises are insured against covered causes of loss up to:

- full *Replacement Cost* for your employees, volunteers, directors, officers and trustees and
- \$1,500 per person for non-members.

Coverage is primary, regardless of other coverage in force. The policy deductible does not apply.

EXAMPLE of a Claim

A fire starts in a fire department kitchen and severely damages the kitchen and lounge areas. Several members have personal items in the building. Claims are paid to members for losses of an automatic popcorn popper, a portable radio, and clothing.

Accidental Discharge of Fire Extinguishing Equipment (On Premises)

Coverage is provided for necessary costs to recharge or refill fire extinguishing equipment as a result of accidental discharge or a covered cause of loss. No deductible applies.

Equipment Breakdown

Equipment Breakdown ("Boiler and Machinery") coverage is included as an automatic extension to the VFIS property program to address some exposures not covered by the property form itself. It provides coverage for these types of accidents:

- mechanical breakdown,
- explosion of steam boilers and related equipment, and
- loss or damage to steam boilers and related equipment caused by any condition or event inside the equipment.

Covered equipment is broadly defined as any real or personal property that utilizes energy, so office equipment, heating and air-conditioning systems, security systems, air cascade systems, generators and many other types of equipment are included.

Off-premises coverage is provided for certain types of emergency service equipment – mobile cascade units, generators, portable pumping units and extrication devices ("jaws of life").

Covered Equipment	Typical Covered Losses
Cascade units	Mechanical breakdown
Air conditioners and refrigeration units	Compressor and/or cooling system breakdowns from overpressure, structural flaws, welding breaks,
Boilers and other pressure vessels	Explosion, burning or bulging from control failure, overpressure, valve malfunction, sediment buildup, etc.

CRIME COVERAGE

Employee Dishonesty

Provides reimbursement for the loss of your organization's money or other property resulting from dishonest acts of your volunteers or employees.

EXAMPLE of a Claim

Upon the retirement of a fire department's president, a new president is elected and installed. Shortly thereafter the treasurer resigns. When irregularities are noticed in the bookkeeping, an audit is performed and it is discovered that more than \$10,000 of the fire department's money is missing. There is strong evidence that the treasurer was responsible. The fire department reported it to the local authorities. Coverage would be provided under the fire department's Employee Dishonesty coverage.

Computer Fraud

This coverage will pay for loss the insured sustains arising directly out of the loss of or damage to "money", "securities", and "property other than money and securities" resulting directly from the use of any computer to fraudulently cause transfer of that property from inside the "premises" or "banking premises" to a person outside those "premises", or to a place outside those "premises".

EXAMPLE of a Claim

A third party hacks into the insured's computer system and directs shipment of property from the insured's premises to an unauthorized person or place outside those premises.

Identity Fraud Expense

Identity Fraud Expense is the compensation of expense sustained that was incurred by the insured or any "employee" as a result directly from identity fraud.

EXAMPLE of a Claim

A vendor working in the firehouse steals the members' identity with the intention to commit an unlawful act.



■ PORTABLE EQUIPMENT COVERAGE

PORTABLE EQUIPMENT COVERAGE

If Portable Equipment coverage is purchased on a blanket basis, coverage is provided for all portable firefighting, ambulance and rescue-related equipment owned or furnished for your regular use. Additionally, physical damage coverage for trailers whose primary purpose is to transport covered portable equipment is automatically provided.

The coverage also provides \$50,000 for non-owned equipment temporarily in your possession. For example, should you borrow portable equipment from a neighboring department or dealer, that equipment would be covered for the same causes of loss as your own.

The premium charge for this coverage is determined by the number and types of vehicles listed in your "factfinder". Please make sure that the vehicle schedule includes all vehicles that carry portable equipment you own or someone else's portable equipment that you are responsible for, even if it's carried on a vehicle you do not own.

If all such vehicles are properly reported to us, and you suffer a catastrophic loss, the *Guaranteed Replacement Cost* coverage will pay to replace all of the equipment.

EXAMPLE of a Claim

During a training session, a training officer was demonstrating silo rescues when he accidentally dropped a portable radio owned by the department. It was totally destroyed. The Portable Equipment policy will replace the radio with a brand new unit, subject to the deductible.

PORTABLE EQUIPMENT COVERAGE Extensions

Personal Effects

This policy is extended to cover **without limit** each member's personal effects, except money, damaged or destroyed while performing any authorized duty. Primary coverage is provided on a *Replacement Cost* basis and is not subject to a deductible.

Watercraft

The blanket policy is extended to provide coverage for watercraft that is either not powered by a motor or engine, or powered by a motor or engine of 100 horsepower or less.

Personal Watercraft

Coverage is provided to all personal watercraft (jet skis, etc.) owned by the insured or furnished for their regular use, regardless of the horsepower.

Deductible Waiver

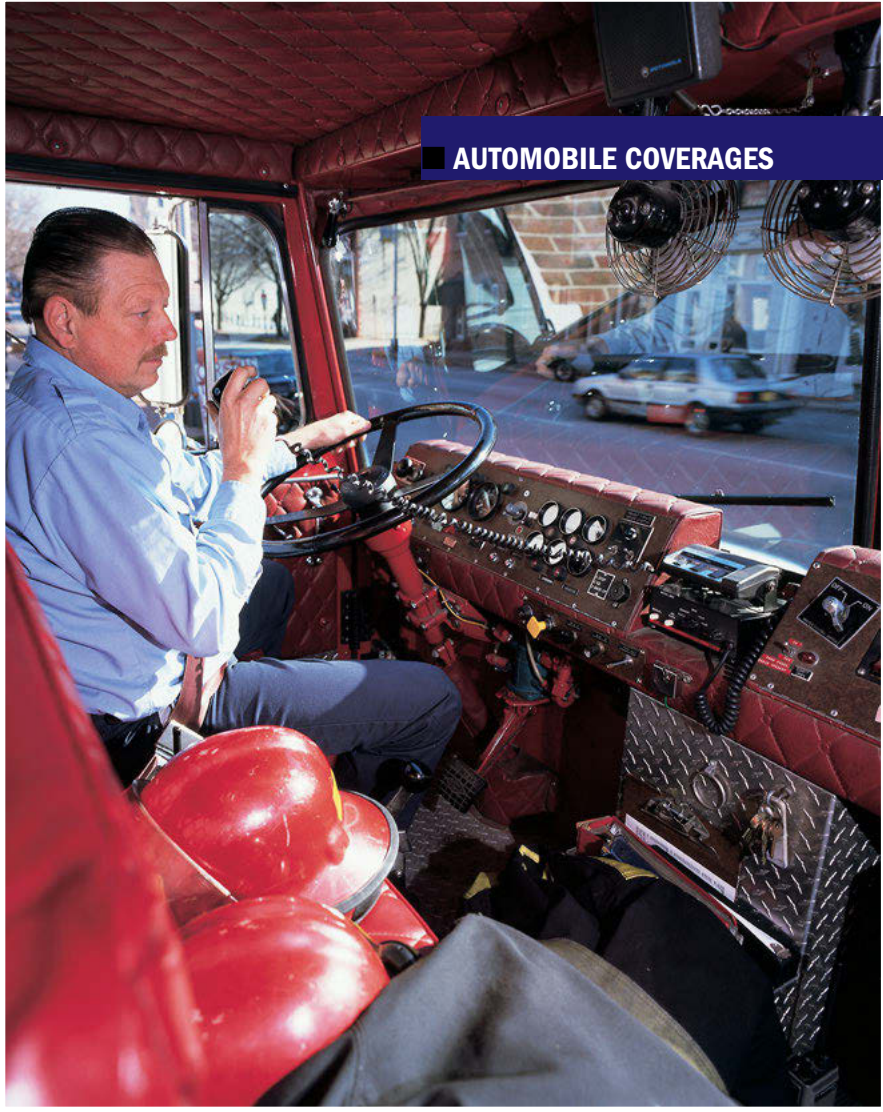
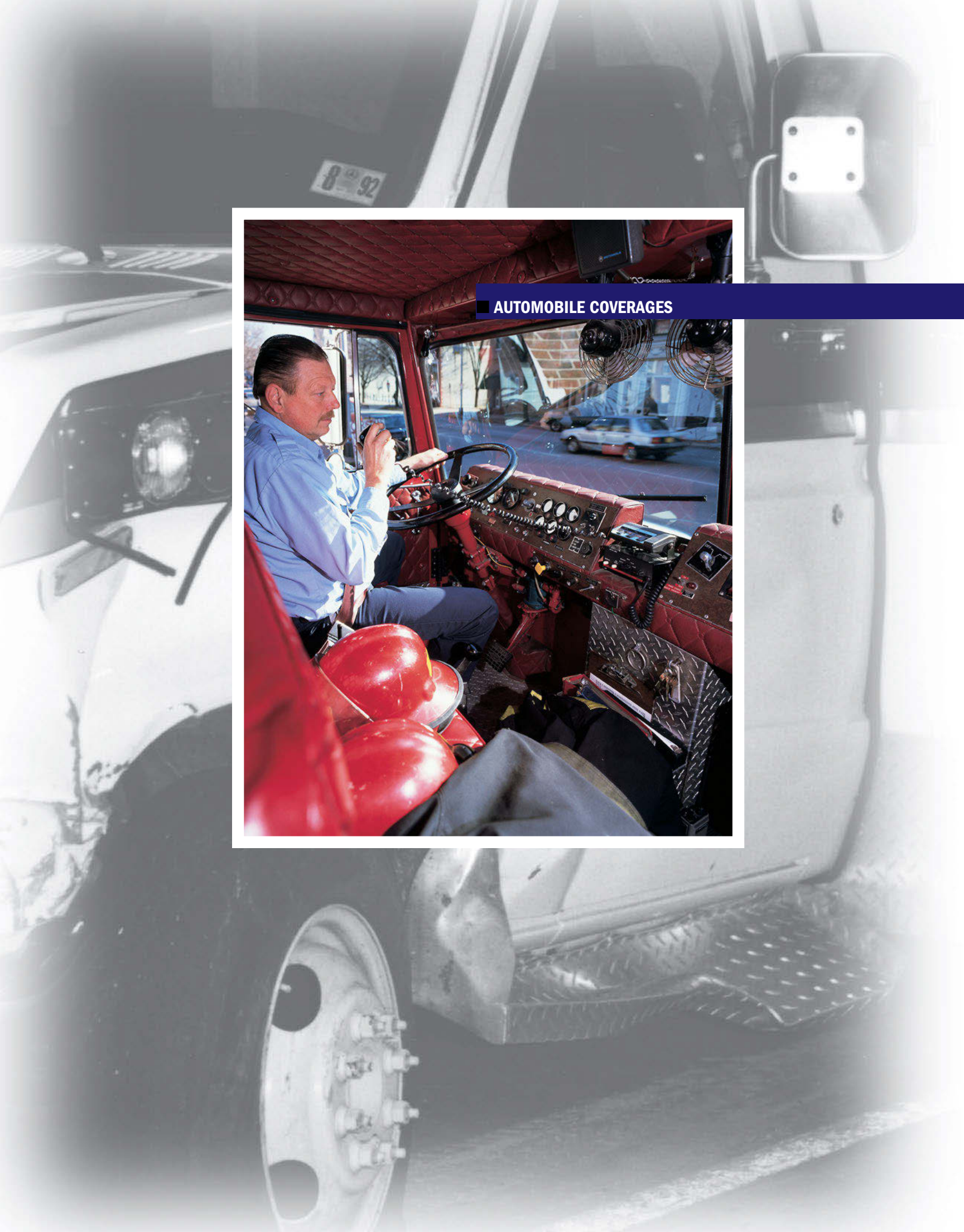
If a loss under the Portable Equipment policy also involves losses under an automobile physical damage policy and/or property policy insured by the VFIS program, only one deductible, the largest, will apply. You **will not** be charged multiple deductibles for a single incident.

Note: For example this means that the deductible is applied once for any situation you respond to, no matter how many claims you submit from that response.

Scheduled Portable Equipment Coverage

Scheduled coverage can be provided for portable firefighting, ambulance and rescue related equipment and watercraft over 100 horsepower owned by you or furnished to you for your regular use. Coverage is provided on a *Replacement Cost* basis up to the limit listed in the schedule.

For portable equipment that you acquire after the policy effective date, the VFIS program will provide automatic *Replacement Cost* coverage, up to the purchase price, for 30 days. This allows time for you to report such equipment to your agent.



AUTOMOBILE COVERAGES

AUTOMOBILE LIABILITY

Definitions and Examples

Non-Owned Automobiles

Covers your organization's liability arising out of the use of any vehicles hired, borrowed, commandeered or otherwise used on your behalf. The auto policy provides excess liability coverage for vehicles hired or borrowed, but primary coverage for commandeered vehicles.

EXAMPLE of a Claim

A fire department pumper is the first vehicle to arrive at the scene of a structure fire. The pumper driver, immediately realizing that the path to the burning structure is not accessible with the pumper, commandeers a passing motorist's pick-up truck to get to the structure. While maneuvering the commandeered vehicle, the driver strikes the property owner's fence. Commandeered liability coverage would be provided to the fire department on a primary basis up to the limit of the policy.

Volunteers/ Employees As Insureds Under Non-Owned Automobiles

Protects the individual volunteer/employee for liability arising out of the use of his/her automobile on behalf of your organization. This coverage is excess over the individual's personal automobile insurance.

EXAMPLE of a Claim

A firefighter responds in his personal vehicle on his fire department's behalf to an emergency call in the middle of the night. Upon rounding a curve, he sees a disabled vehicle partially blocking the road. The firefighter swerves and strikes the motorist who was trying to flag down the firefighter and who the firefighter did not see until it was too late. Non-owned vehicle liability coverage and a defense would be provided to the firefighter on an excess basis up to the limit of the policy over any other insurance available to the firefighter, including his own personal auto policy's liability limit.

Temporary Substitute Vehicle

Provides liability coverage on a primary basis when a replacement vehicle is loaned to you while a covered vehicle is temporarily out of service.

EXAMPLE of a Claim

A fire department is temporarily loaned an ambulance while their covered ambulance is being serviced. The loaned ambulance is involved in an intersection accident and several passengers in the other vehicle are injured. Liability coverage and a defense would be provided to the fire department on a primary basis up to the limit of the policy.

Uninsured Motorists/ Underinsured Motorists

Based on the laws of your state, eligible parties are covered and/or property damage caused by negligent/underinsured motorists.

Personal Injury Protection

Coverage is provided for bodily injury sustained by an eligible injured person caused by an accident arising out of the use of a covered vehicle subject to any applicable statutory no-fault law.

Garage Liability

Provides Liability Coverage for an insured's garage operations.

Fellow Member Liability

Auto liability coverage that protects your individual volunteers and employees for liability for bodily injury to another volunteer or employee arising out of the use of a covered vehicle.

EXAMPLE of a Claim

A fire truck is responding to an emergency call with lights and siren activated. The driver proceeds after stopping at a red light and confirming that all other traffic has stopped. A vehicle which was not seen by the fire truck driver and which is traveling at a high rate of speed fails to yield to the emergency vehicle and a collision results, injuring several passenger firefighters. Fellow member auto liability coverage and a defense would be provided to the fire truck driver up to the limit of the policy for claims arising from the injured passenger firefighters.

Expected or Intended Injury

Provides liability protection for expected or intentional bodily injury or property damage resulting from actions taken to protect persons or property and arising out of the use of a covered auto.

AUTOMOBILE PHYSICAL DAMAGE Definitions and Examples

Agreed Value

Physical damage coverage on emergency vehicles when provided on an *Agreed Value* basis, provides that you will receive the **lesser of**:

1. The **cost to repair** the covered vehicle; or
2. The **cost to replace the part** with a part of like kind and quality, *without deduction for depreciation*; or

EXAMPLE of a Claim

A fire department has a 1976 Mack pumper with an *Agreed Value* of \$50,000. While responding during an ice storm they lose control and slide into a tree. Damages are appraised at \$40,000. The replacement cost of the truck at the time of the loss is \$100,000. Since the *Agreed Value* selected by the insured is \$50,000 and 75% of the *Agreed Value* is \$37,500, the insured has the option to either repair the vehicle, taking the \$40,000 settlement, or be reimbursed the *Agreed Value* of \$50,000 with the insurance company having the rights to the vehicle.

3. The **cost to replace the entire vehicle** with a comparable new vehicle, manufactured to current specifications set by the NFPA, the U.S. Department of Transportation, or similar organization; or
4. The **agreed value** shown in the policy.

Note: If the estimated repair costs for a damaged vehicle covered on an *Agreed Value* basis exceed 75% of the *Agreed Value*, and you choose not to accept payment under paragraph 1. or 2. (above), the VFIS program will pay the lesser of paragraph 3. or 4. (above). Under this arrangement, the insurance company has the rights to all recovery and salvage.

Furthermore, for repairs or replaced parts under paragraph 1. or 2. (above), the VFIS program will pay up to an additional 25% of the amount of the loss to cover the costs you incur in bringing the repaired or replaced parts into compliance with the latest safety standards. **If recertification is required, we will also pay those costs.**

Garagekeepers Insurance

Provides direct primary coverage for loss to any auto while left with an insured's garage operation, up to \$50,000 per loss. There is a \$250 comprehensive deductible and a \$500 collision deductible.

<i>Deductible Waiver</i>	If a loss under the automobile physical damage policy also involves losses under a property and/or portable equipment policy insured by the VFIS program, only one deductible, the largest, will apply. You will not be charged multiple deductibles for a single incident. This is also true if more than one of your vehicles suffers a covered physical damage loss in a single incident (provided that incident resulted from an emergency occurrence).	<p>EXAMPLE of a Claim</p> <p>A fire department's rescue truck is responding with lights and siren when it is struck by another vehicle in an intersection and flipped over on its side. The rescue truck sustains \$20,000 of damage and the equipment inside the vehicle is broken and strewn across the roadway. The Waiver of Deductible clauses in the Automobile Physical Damage policy and the Portable Equipment policy provide that only one deductible, the largest, would be applied to the loss settlement.</p>
<i>Collision</i>	Pays for loss or damage to your covered vehicles from overturn or collision with another object.	
<i>Comprehensive</i>	Pays for loss or damage to your covered vehicles from causes other than collision or overturn.	
<i>Freezing Coverage</i>	Provides coverage for permanently attached special equipment common to an emergency vehicle for any loss caused by freezing, unless the loss is caused by the failure to maintain the equipment. The covered equipment includes, but is not limited to, pumps, gauges and tanks. No coverage is provided for a loss to the vehicle's engine caused by freezing.	
<i>Volunteer's or Employee's Personal Automobiles</i>	Coverage is provided for damage to an automobile owned or used by a volunteer or employee while enroute to, during, or returning from an emergency or other activity performed at the direction and knowledge of an officer of your organization. The damage must be a result of a covered loss, such as comprehensive or collision. The policy will pay up to the <i>Actual Cash Value</i> (ACV) of a member's vehicle if it is not otherwise covered for physical damage, or the amount of the deductible if it is covered for physical damage. (In New York, the VFIS program will pay the lesser of \$1,000 or the volunteer's/employee's deductible.)	
<i>Hired, Borrowed or Commandeered Vehicles</i>	Primary physical damage coverage is provided for hired, borrowed or commandeered vehicles on an <i>Actual Cash Value</i> (ACV) basis. Comprehensive is subject to a fifty dollar (\$50) deductible. Collision is subject to a one hundred (\$100) dollar deductible.	
<i>Customized Vehicle Extension</i>	Vehicles not insured for <i>Agreed Value</i> coverage, such as chief's cars, are valued on an <i>Actual Cash Value</i> (ACV) basis. However, our extension covers the cost of replacing certain custom features of these vehicles such as gold leaf lettering, light bars, sirens and radios on a <i>Replacement Cost</i> basis. The extension also covers your organization's equipment that is permanently installed in a vehicle you do not own.	
<i>Towing and Labor</i>	For any scheduled vehicle with Comprehensive coverage, the VFIS program will pay all towing and labor costs if the vehicle should become disabled. The labor must be performed at the place of disablement, and the towing must not exceed 200 miles from the place of disablement.	
<i>Full Glass Coverage</i>	For any vehicle with Comprehensive coverage, the VFIS program will pay covered glass losses without the application of a deductible – even if you choose a deductible to apply to other Comprehensive claims. An example would be a truck's windshield cracked or smashed by vandals. No deductible would apply even if your policy shows a \$100 or \$250 Comprehensive deductible.	

AUTOMOBILE PHYSICAL DAMAGE Valuation Methods

There are three ways to provide physical damage coverage for emergency service vehicles. We have listed them below:

Actual Cash Value

Settles the claim based on the current market value of the damaged vehicle or part (old for old).

We use this method for private passenger vehicles five or more years old, service vehicles, some trailers and other non-emergency vehicles.

Stated Amount

Settles the claim by paying the lesser of:

- The current market value of the damaged vehicle or part (old for old)

or

- The amount stated in the policy.

We do not offer stated amount coverage because it is less advantageous to your organization than the actual cash value method.

Agreed Value

Settles the claim by paying the lesser of:

- The cost to repair or replace the covered vehicle or part with a vehicle or part of like kind and quality *without deduction for depreciation*

or

- The limit shown in the policy.

We use this method on all emergency vehicles and, at your option, on private passenger vehicles less than five years old.

Refer to the “Schedule of Covered Vehicles” to determine which valuation method was used for each of your organization’s vehicles.

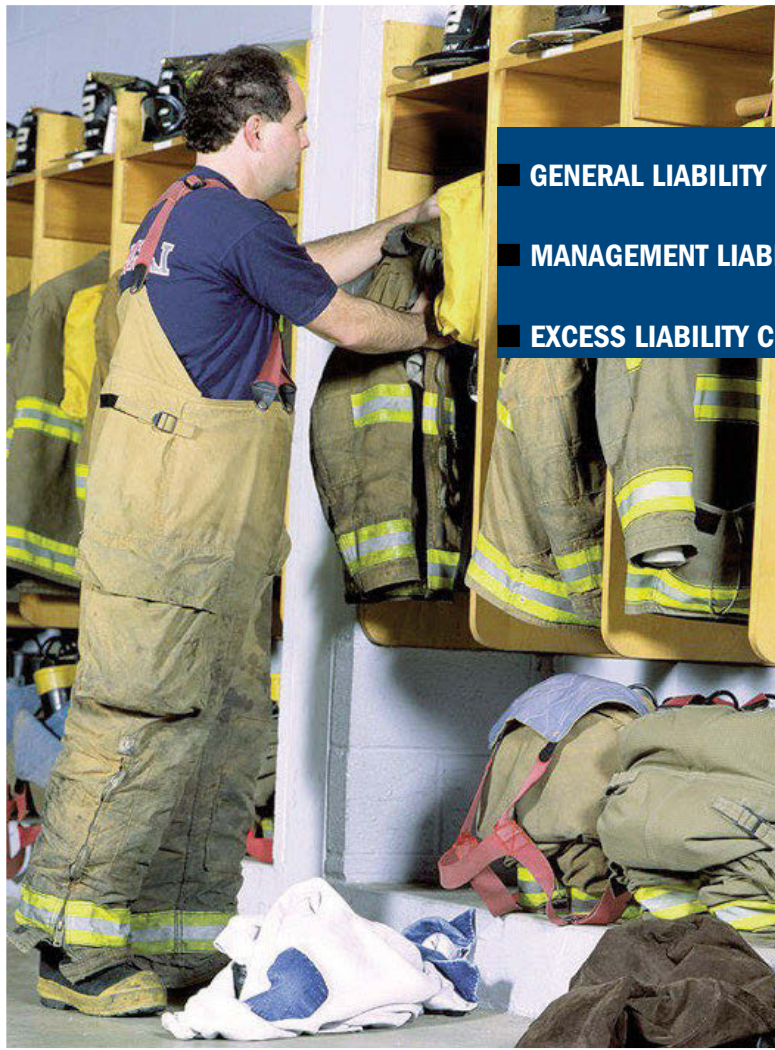
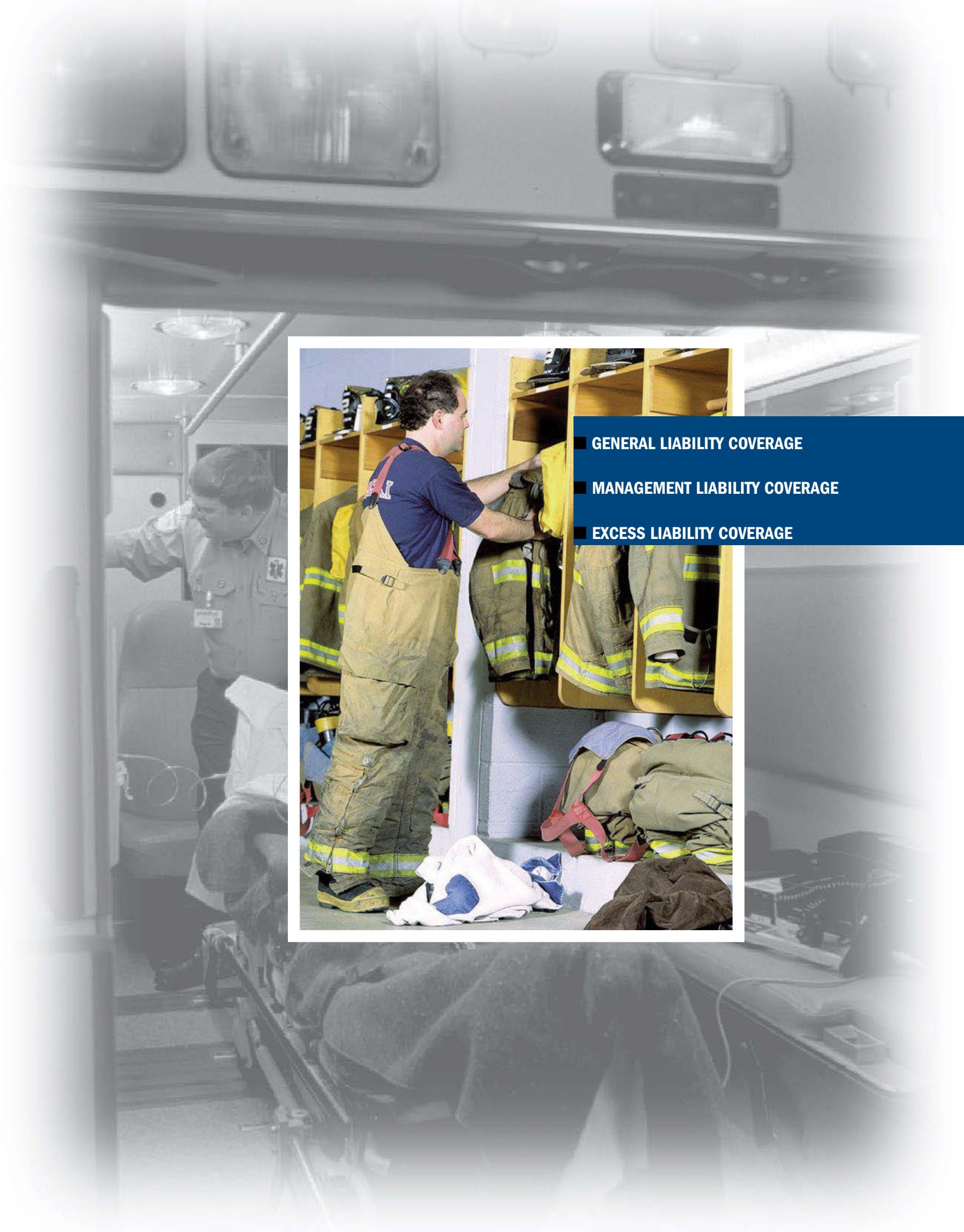


**AUTOMOBILE
PHYSICAL DAMAGE**
Valuation Examples

How The Valuation Method Affects The Settlement After A Loss

This illustration shows how an actual emergency vehicle loss is settled under each valuation method described on the previous page. In this example a fire department was involved in an accident in which a ten-year-old mini-pumper was damaged, resulting in a repair cost of \$42,000.

Pertinent Information	VALUATION METHOD		
	Actual Cash Value	Stated Amount	Agreed Value
Value Shown In Policy	No Value Shown	\$ 75,000	\$ 75,000
Deductible	\$ 250	\$ 250	\$ 250
Vehicle's Replacement Cost	\$ 80,000	\$ 80,000	\$ 80,000
Vehicle's Age at Time of Loss	10 years	10 years	10 years
Vehicle's Valuation	ACV is \$20,000	ACV is \$20,000	Agreed Value is \$75,000
The Amount Each Insurance Policy is Obligated to Pay	Insurance company declares a total loss, pays the fire dept. \$19,750, and takes title to the salvage. Insurance company is obligated to pay no more than the ACV (\$20,000) less the deductible (\$250).	Insurance company declares a total loss, pays the fire dept. \$19,750, and takes title to the salvage. Insurance company is obligated to pay the ACV (\$20,000) or the stated amount (\$75,000) less the deductible (\$250), whichever is less.	Insurance company would pay \$41,750 to repair the vehicle. Insurance company is obligated to pay full repair costs (\$42,000) less the deductible (\$250) without deduction for depreciation.
The Amount the Insured Must Pay	Repair Cost (\$42,000) Less Payment (\$19,750) = \$22,250	Repair Cost (\$42,000) Less Payment (\$19,750) = \$22,250	\$250 Insurance company pays remainder of loss



- GENERAL LIABILITY COVERAGE
- MANAGEMENT LIABILITY COVERAGE
- EXCESS LIABILITY COVERAGE

GENERAL LIABILITY

Definitions and Examples

Products Liability

Products Liability provides coverage for bodily injury and property damage claims arising out of products sold or distributed by your organization.

EXAMPLE of a Claim

As part of their fundraising activities, a fire department holds a chicken barbecue each month. Following one of these barbecues, a young lady died from food poisoning. Legal action was taken by the deceased's husband against the supplier of the chicken and the fire department. The Products Liability coverage providers defense costs and would pay a judgment up to the limit of the policy.

Completed Operations Liability

Completed Operations Liability provides coverage for bodily injury and property damage claims arising out of your operations performed for someone else, after the operations have been completed.

EXAMPLE of a Claim

A fire department responded to a fire at an old frame dwelling around 10:45 p.m. The fire was confined to a stuffed sofa in the living room. The sofa was removed from the premises and the fire was extinguished. Firefighters were directed to place the sofa against the front of the structure so as not to block the sidewalk. At 4:17 a.m., the fire department received a second call for a working fire at the same address. After extinguishing the second fire, witnesses stated the fire originated from the sofa which had burned earlier. The fire marshal agreed the second fire started as a result of a rekindle.

The insurance company that insured the dwelling, alleged negligence on the part of the fire department and took legal action. The Completed Operations Liability coverage provided defense costs and would pay a judgment awarded by the court up to the limit of the policy.

Personal Injury Liability

Personal Injury Liability provides coverage for injury, other than bodily injury, arising out of one or more of the following offenses:

- A. False arrest, detention or imprisonment, or malicious prosecution.
- B. Libel, slander, disparagement or violation of right of privacy arising from oral or written publication of material.
- C. Wrongful entry or eviction or other invasion of right of private occupancy.

EXAMPLE of a Claim

At the scene of a fire, the incident commander placed under arrest an individual suspected of arson. Later the individual was cleared of the charges and, in turn, brought suit against the officer, alleging "false arrest". The Personal Injury coverage would provide the incident commander with a defense and would pay a judgment up to the limit of the policy.

Fire Damage Legal Liability

Liability coverage is provided for fire damage to structures, including fixtures permanently attached, while rented to or temporarily occupied by the insured.

EXAMPLE of a Claim

A fire department rents the firehouse from the city. While siphoning gas from a lawnmower, a fire ensues causing extensive damage to the rented firehouse. The Fire Damage Legal Liability coverage would provide the fire department with a defense and would pay a judgment up to the limit of the policy.

Volunteers/ Employees As Insureds

Extends the General Liability coverage to include employees and volunteers (regardless of whether the volunteer is a formal member of your organization) as insureds while they are acting on your behalf and a judgment from the court would be paid up to the limit of the policy.

EXAMPLE of a Claim

A fire department responds to a fully involved structure fire and proceeds to extinguish it. While fighting the blaze, a hose line gets away from a firefighter and strikes a spectator, causing permanent damage to his eye. A lawsuit is brought against the fire department, the incident commander and the individual firefighter who was manning the hose. With Volunteers/Employees as Insureds liability coverage, a defense is provided to the firefighter.

Intentional Acts Extension

Provides liability protection for expected or intended bodily injury or property damage resulting from reasonable actions taken by your employees/volunteers to protect persons or property.

EXAMPLE of a Claim - Bodily Injury

While a rescue squad was administering advanced life support to a coronary victim, a volunteer was forced to physically restrain a relative who was interfering with the resuscitation effort. While being restrained, the relative suffered a broken arm.

The injured relative files suit alleging the volunteer intentionally inflicted bodily injury. The Intentional Acts liability coverage would provide the rescue squad and the volunteer with defense and pay a judgment up to the limit of the policy.

EXAMPLE of a Claim - Property Damage

A fire department responded to a fire in progress at a large apartment complex. After surveying the scene, the chief decided to bulldoze a unit in the middle to stop the spread of the fire to the remaining portions of the building. This was done and the fire was brought under control, with damage to only five units in the 25-unit building.

The owner of the complex later filed, suit, alleging that the damage created by the bulldozer was unnecessary to control the fire. The Intentional Acts liability coverage would defend the chief and the department, and pay a judgment that resulted, up to the limit of the policy.

Professional Health Care Liability

Provides liability protection for injuries arising out of your professional health care services. This includes providing medical services, the furnishing or dispensing of drugs or medical supplies, the handling of patients, errors in dispatching and the setting of protocols by a medical director. Coverage is provided to all volunteers and employees.

Physicians acting on behalf of the insured as volunteers, employees or medical directors are covered for their actions except for on-line medical command via telecommunication. This coverage is excess of the physician's personal medical malpractice insurance.

EXAMPLE of a Claim

An ambulance squad arrived at the scene of an auto accident. They quickly removed a severely injured woman from the vehicle and placed her in the ambulance. They then directed their entire effort to removing a male victim who was trapped in the vehicle.

Unfortunately, the squad's efforts to extricate the trapped man were so intense that they ignored the woman they had put in the ambulance. The claim investigation revealed that the injured female died while they were trying to extricate the trapped male. The investigation also revealed that the male had died instantly upon impact.

The court awarded damages of \$375,000 to the deceased woman's estate. The award was paid by the insurer under the Professional Health Care Liability coverage.

"Good Samaritan" Liability

Provides 24-hour liability coverage, including Professional Health Care, for the volunteers or employees of your organization while they are rendering services at the scene of an emergency. The emergency must require sudden action on the volunteer's or employee's part, and the volunteer or employee must be acting independently at the time of the emergency.

EXAMPLE of a Claim

While out of town on vacation, a firefighter/EMT came upon the scene of an accident where an elderly woman had fallen down a flight of stairs. The firefighter/EMT began to administer medical assistance before the local ambulance arrived. Once the local ambulance squad arrived, they transported the victim immediately. The woman died enroute to the hospital.

Legal action was taken by the deceased's husband alleging negligence on the part of the local ambulance and the vacationing firefighter/EMT. The "Good Samaritan" coverage paid the cost of defense and would have paid any award up to the limit of the policy had the firefighter/EMT been found negligent.

The local ambulance squad had to rely on their own insurance carrier for Professional Health Care Liability coverage.

Injury to Volunteers

Provides coverage for the insured if a volunteer brings a claim for injuries suffered while working on behalf of the department. Coverage applies only if the volunteer is not covered by and is not required to be covered by Workers' Compensation insurance.

EXAMPLE of a Claim

A volunteer is injured in an accident at a training exercise sponsored by the fire company she serves. Upon submitting a claim, she learns that in her state Workers' Compensation insurance is optional for volunteers, and her particular company has not purchased it. Unable to absorb the costs of her injury on her own, and having no personal insurance on which to rely, she feels she has no choice but to sue her fire company for the expenses she incurred because of the accident. The Injury to Volunteers coverage would defend the company and pay any judgment or settlement that resulted from the volunteer's suit, up to the limit of the policy.

Fellow Member Liability

Provides your employees and volunteers with individual liability coverage for liability for bodily injury on another volunteer or employee. Coverage is provided only while the employee or volunteer is acting within the scope of their duties.

EXAMPLE of a Claim

Early one morning a fire department responded to a two story structure fire. Upon arrival, it was learned that two small children were trapped in an upstairs bedroom. Two firefighters, at the direction of the incident commander, extended a ladder to the second story window and one member proceeded to climb the ladder.

The firefighter holding the ladder left his post and the ladder fell, resulting in serious bodily injury to the firefighter climbing the ladder. The injured firefighter brought suit against the firefighter who had been holding the ladder, alleging negligence.

The Fellow Member Liability coverage would defend the volunteer or employee being sued, and pay any resulting judgment or settlement up to the limit of the policy.

Contractual Liability

Provides coverage for liability expressly assumed under a written or oral contract or agreement.

EXAMPLE of a Claim

A fire department agrees to provide fire protection to a neighboring community that has no fire protection of its own. The agreement calls for the fire department to assume the liability and defense costs of that community for any claims arising out of the fire department's negligence.

During an emergency operation, a bystander falls over a hose and sustains serious bodily injury. The community is sued by the injured party. The contractual liability coverage paid the defense costs and the judgment awarded by the jury, up to the limit of the policy.

Important note: Before agreeing to any contract, it is advisable to have the contract reviewed by your attorney and insurance representative.

Fireworks Liability

Provides coverage for liability as result of your fireworks events, excess of any other coverage available.

EXAMPLE of a Claim

At a 4th of July celebration, after a number of successful detonations, one rocket was propelled horizontally rather than vertically and slammed into the crowd. A number of onlookers were seriously burned, and others were injured in the ensuing panic. Fortunately, our insured had hired a contractor to stage the fireworks display, and had obtained a certificate of insurance evidencing that the contractor had adequate liability coverage in force and that the fire department was included as an additional insured on that coverage.

Non-Owned Watercraft Liability

Provides coverage for bodily injury and property damage claims arising out of the use of non-owned watercraft. This coverage does not apply to any damages to the boat. If the boat has been commandeered during an emergency situation, then coverage for physical damage to the boat may be found under the commandeered property extension.

EXAMPLE of a Claim

A fire department borrows a 35-foot motorboat for use in rescue operations during unexpected flooding. While attempting to rescue several people stranded on a rooftop, one of the victims fell and was struck by the propeller, resulting in serious injury. The Non-Owned Watercraft Liability coverage would provide for defense and pay any judgment awarded against the fire department.

This coverage is designed to protect the fire department when using non-owned watercraft. The owner of the boat would look to his own insurance for liability coverage.

Owned Watercraft Liability

Provides coverage for bodily injury and property damage claims arising out of the ownership, maintenance, operation, use, loading or unloading of owned watercraft. This is automatic under the VFIS program for all boats powered by a motor (or a combination of motors) up to and including 100 horsepower. Coverage is available, for a premium charge, for boats powered by larger motors.

EXAMPLE of a Claim

A fire department owns and maintains a 30-foot motorboat for use in rescue operations. While attempting to rescue survivors of a capsized boat, the propeller struck one survivor, resulting in serious injury.

The individual took legal action against the fire department. The Owned Watercraft Liability coverage provided a defense and paid the resulting award on behalf of the fire department, up to the limit of the policy.

Personal Watercraft

Coverage is provided for liability arising out of all personal watercraft (jet skis, etc.) owned by the insured or furnished for their regular use, regardless of the horsepower.

Employer's Liability (optional)

Provides coverage for the insured if a volunteer or employee alleges that they were injured on the job and are entitled to damages beyond the statutory benefits available under the applicable Workers' Compensation statute. This coverage is offered only when the insured's Workers' Compensation policy does not contain Part Two – Employer's Liability Insurance. Not available in New York.

EXAMPLE of a Claim

A firefighter suffered severe respiratory problems as a result of contaminated air in his SCBA, and was disabled for more than a year. He filed a Workers' Compensation claim, which covered all his medical expenses but only two-thirds of the wages lost as a result of the disability. An investigation revealed that the fire department never tested the air in tanks they refilled, and the firefighter sued for his lost wages and pain and suffering, alleging gross negligence on the part of the department. The Employer's Liability coverage would defend the department and pay damages awarded by the court, up to the limit of the policy.

"Host" Liquor Liability

Provides protection for bodily injury and property damage liability arising out of serving or providing alcoholic beverages, *as long as your organization does not make a charge and is not required to have a license or permit.*

EXAMPLE of a Claim

A fire department rented their social hall for a wedding. The wedding party purchased their own alcohol and had it served to their guests. On the way home, one of the guests was involved in an accident causing bodily injury and property damage. The injured party sued the fire department. The "Host" Liquor Liability coverage provided defense costs for the fire department and would pay any judgment up to the limit of the policy.

EXAMPLE of a Claim

A fire department is the host for the monthly County Chief's Association meeting. As part of the evening's events, the host fire department serves beer at no charge to the guests. On the way home, one of the guests was involved in a serious auto

accident where a pedestrian was killed. The estate of the pedestrian sued the fire department for damages. The "Host" Liquor Liability coverage provided defense costs for the fire department and would pay any judgment up to the limit of the policy.

Important note: The sale of alcoholic beverages is not covered under "Host" Liquor Liability. If you sell alcohol in any fashion, "Host" Liquor Liability will not respond.



Liquor Law Liability

If your organization sells, serves or distributes alcoholic beverages for a charge, **and** a state liquor license or permit is required, coverage is provided for bodily injury or property damage. Coverages is excess of any other coverage available.

EXAMPLE of a Claim

A fire department has a social hall where they regularly sell alcoholic beverages to their members. The fire department has a valid state license to operate this facility.

Late one evening, a patron left the hall intoxicated. While driving home he was involved in a two-car accident resulting in the death of the patron and two occupants of the second auto.

Legal action was taken by the estates of the occupants of the second car against the fire department, alleging negligence in continuing to serve the patron, even though the bartender knew he was intoxicated. The Liquor Law Liability coverage defended the fire department and paid the jury award.

Important note: If you are involved in the sale or distribution of alcoholic beverages and are required by state law to obtain a license or permit, failure to do so may jeopardize your insurance coverage.

If there is a question about which coverage is necessary in your situation, please see that your insurance representative reviews your needs with VFIS. Keep in mind, your insurance representative can only discuss your insurance needs; matters relating to state alcohol regulations should be discussed with your attorney or state regulators.

Operational Pollution Liability

Protects the organization for legal liability arising out of pollution exposures from your emergency operations away from your premises, training operations, water runoff from cleaning of equipment used in emergency operations, smoke or fumes from a building's heating system and hostile fire.

Note: Pollution incidents emanating from underground or aboveground storage tanks are not covered.

EXAMPLE of a Claim - Emergency Operations

A fire department is called to the scene of an overturned tank truck transporting chlorine gas. While extricating the driver with a jaws of life tool, the fire department punctures the tank holding the chlorine gas. The people in the area are overcome by the gas fumes and require medical treatment. The Operational Pollution Liability coverage would provide the department with a defense and pay any judgment up to the limit of the policy.

EXAMPLE of a Claim - Training Operations

A fire department used several types of accelerants to burn down some old sheds on their property. Newer members were trained on how to extinguish each blaze. Traces of these accelerants were found on a neighbor's land and in another neighbor's drinking water. Claims were filed against the fire department for the costs of drilling a new well and removing the contaminated earth.

The Operational Pollution Liability endorsement would pay any judgment or settlement that resulted, up to the limit of the fire department's policy.

EXAMPLE of a Claim - Equipment Washdown

A fire department responds to a fire at a local chemical plant. Smoke from the plant settles on the truck, ladders and other equipment. Upon returning to the station, the equipment is hosed down. The runoff water flows down the street into a neighbor's privately owned pond, contaminating the pond and killing fish and exotic plants. The Operational Pollution Liability coverage would protect the fire department against legal action by the neighbor and would pay an award up to the limit of the policy.

MANAGEMENT LIABILITY

This policy provides coverage for monetary damages arising out of a *wrongful act* committed by a volunteer, employee, officer, director, trustee or commissioner acting on behalf of your organization. A *wrongful act* is any act, error or omission committed by or on behalf of your organization while in the performance of your operations.

If this is a “*claims made*” policy, coverage is provided only for claims that are brought or reported **during** the policy period regardless of when the incident occurred.

Coverage will also be provided for a claim arising out of an incident that occurred **prior** to the initial policy period, *as long as no one in your organization had any reason to suspect a claim would be brought.*

If this is an “*occurrence*” policy, coverage is provided only for claims arising out of incidents that occur during the policy period.

EXAMPLE of a Claim

A volunteer alleged that the fire department violated his civil rights and caused him to suffer mental and emotional distress when the department held a hearing and dismissed him as a firefighter. He filed legal action against the department seeking monetary damages. The Management Liability policy would defend this claim and pay an award up to the limit of the policy.

Defense Expense for Injunctive Relief

Provides coverage up to a \$25,000 limit for the reimbursement of reasonable legal fees you incur as a result of a plaintiff’s demand for injunctive relief. Injunctive relief is a non-monetary directive issued by a court of law ordering or prohibiting a specific action.

EXAMPLE of a Claim

A volunteer member alleged that the department violated his civil rights and caused him to suffer mental and emotional distress when the department held a hearing and dismissed him. He filed legal action against the department seeking reinstatement. The Management Liability policy would reimburse legal fees incurred by the department in defending their action, up to the \$25,000 limit.

Employee Benefits Liability

Provides coverage for suits alleging that an employee or volunteer (or their beneficiaries) suffered damages because of your failure to properly administer an employee benefits program.

The coverage applies only to benefit plans not subject to the Employee Retirement Income Security Act of 1974 (ERISA). Examples of these non-ERISA plans include Length of Service Awards Program (LOSAP), group life insurance, Accident and Sickness policy, or Workers’ Compensation. Coverage does not apply to damages, loss, or expense, arising out of the failure of an investment program, or failing to fund employee benefit plans.

EXAMPLE of a Claim

A volunteer has been covered under the department’s LOSAP for years. Upon retirement, the LOSAP pension benefits were less than the volunteer expected. After investigating, the volunteer discovered that the plan administrator, another volunteer, improperly handled the plan’s “point system” for years. As a result, the retired volunteer was not given full credit for service. This reduced the volunteer’s benefit. The retired volunteer sued the department and LOSAP administrator for the amount of lost benefits. The Employee Benefits Liability coverage would provide the department and the administrator with the cost of legal defense and pay an award up to the policy limit.

Outside Directorship Liability

Management Liability coverage is extended to individuals in your organization who serve on the board of directors of outside nonprofit organizations related to emergency services. For example, if one of your volunteers or employees were to be appointed a board member of a county haz mat team or a state fire training school, the VFIS program would cover that person’s liability as a board member, excess of any coverage available to the person through the outside organization.

Cyber Liability and Privacy Crisis Management

Cyber Liability protects you when claims are made against you for monetary damages arising out of an electronic information security event.

Privacy Crisis Management Expense reimburses for expenses you incur as a result of a privacy crisis management event first occurring during the policy period. This first party coverage is intended to provide professional expertise in the identification and mitigation of privacy breach while satisfying all Federal and State statutory requirements.

EXCESS LIABILITY

Excess Liability provides your organization with two benefits:

1. It provides excess coverage over your primary liability insurance.
2. If the aggregate limit of an underlying policy has been exhausted, the Excess will take its place.

Note: Pollution liability “follows form” with the underlying coverages.

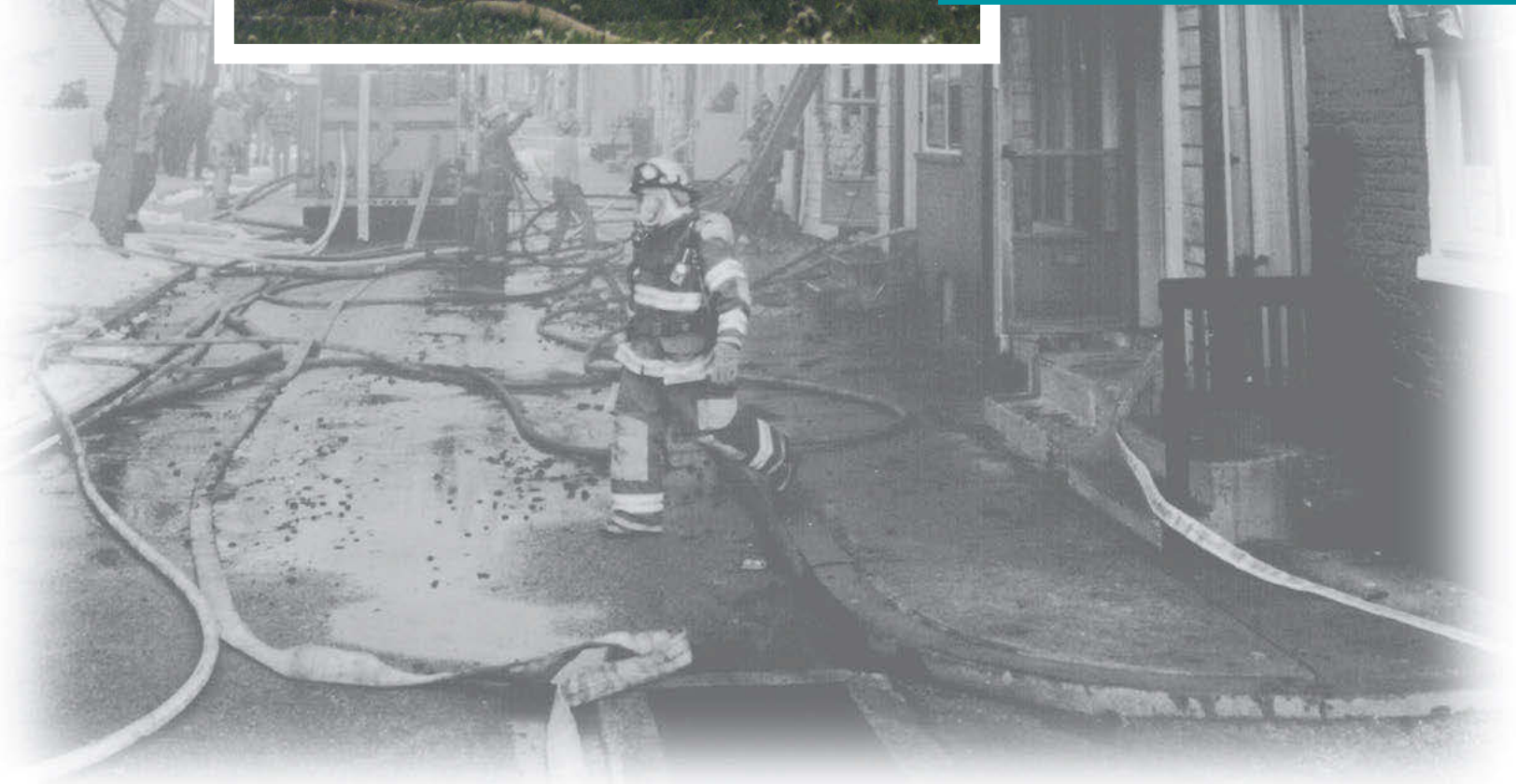
EXAMPLE of a Claim

While responding to a call using lights and sirens, a driver did not stop for a red light and hit another vehicle head on. Two passengers in the other vehicle received fatal injuries.

A suit was brought for \$1,500,000 against the fire department. The department carried an Auto Liability policy with a \$1,000,000 limit. They also had the good sense to purchase \$1,000,000 in excess limits. The department’s policy would pay for all their defense costs, plus any award up to a total of \$2,000,000.



- ACCIDENT & SICKNESS INSURANCE PROGRAM
- GROUP LIFE INSURANCE PROGRAM
- LENGTH OF SERVICE AWARDS PROGRAM
- CRITICAL ILLNESS INSURANCE PROGRAM
- RISK CONTROL SERVICES
- EDUCATION, TRAINING AND CONSULTING



ACCIDENT & SICKNESS INSURANCE PROGRAM

Protecting your members as they protect their community is critical to the success of your organization. Some organizations believe that Workers' Compensation will adequately protect members who suffer a disabling injury. Unfortunately, many learn the hard way that there are gaps in Workers' Compensation, which could have financially devastating results to your injured members and their families.

The VFIS A&S program provides critical benefits to fill gaps and complement Workers' Compensation. Coverage is provided for Injury and Illness (including heart and infectious disease) when members are performing the normal duties of the organization. Features include:

- Loss of Life Benefits, including additional benefits for spouse and dependents.
- Income replacement benefits with no need to provide W-2s or proof of income loss for the first 28 days by providing a flat benefit limit. After 28 days, a different limit can be selected allowing your members to minimize or eliminate any financial shortfall as a result of inadequate limits under Workers' Compensation.
- Medical Expense benefits are available for the expenses covered under our form but which are not covered by Workers' Compensation or where Workers' Compensation does not apply.

GROUP LIFE INSURANCE PROGRAM

Many organizations provide their employees and volunteers' coverage as both a retention tool and a method of providing benefits in the event of a tragedy. Coverage includes:

- 24 hour around the clock life insurance protection.
- Guarantee issue.

- Simplified administration.
- No age limitation.
- Accidental Death and Line of Duty benefits available.

LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

Emergency service volunteers are in decline across America. Progressive departments recognize the value of a strong dedicated core group of volunteers. To encourage this core group of volunteers to remain viable, departments often implement a series of retention and recruitment tools. One such valuable tool is a Length of Service Awards Program. The LOSAP recognizes volunteer service by providing benefits at retirement for long serving volunteers. The LOSAP features include:

- Eligibility based on state legislation and/or the specific department's objectives.
- Benefits paid monthly for life based on the number of years a volunteer is active.
- Benefits can provide for service earned prior to implementation.
- Volunteers leaving with few years receive no benefit. Contributions made on their behalf remain with the plan.

CRITICAL ILLNESS INSURANCE PROGRAM

Two significant health concerns in the emergency service community are heart attacks and cancer. Many emergency service personnel are aware of line of duty heart-related deaths and the studies linking certain forms of cancer to fire service-related exposures.

While the number of heart attacks and cancer associated with emergency duty cannot be fully documented, there is no doubt as to the number of Americans suffering a heart attack or being diagnosed with cancer. According to Consumer Reports Health organization, every year about 1.3 million Americans have a heart attack with about 66 percent surviving. The National Cancer Institute estimates that almost 1.6 million men and women will be diagnosed with cancer in 2012. In fact, one study shows that more than 41 percent of men and women born today will be diagnosed with cancer at some time during their lifetime.

Recognizing these statistics and the financial impact that cancer and heart attacks can have on families, VFIS developed the Critical Illness Insurance Program that provides a lump sum living benefit for cancer and heart attack survivors. This benefit pays for individuals with these conditions regardless if they were caused by an emergency response. A summary of the program includes:

- Lump sum benefits for heart attack, cancer and stroke.
- Guarantee issue.
- 24 hour accidental death benefit.
- Program can be developed to cover certain classes of emergency service personnel (e.g. interior firefighters, personnel with five or more years of service, career personnel and volunteers).
- Certain restrictions and exclusions apply.
- Not available in all states.

RISK CONTROL SERVICES

As a valuable service to your organization, VFIS provides Risk Control Services. Employing Risk Control techniques will accomplish two major objectives. The first will be to reduce and/or eliminate loss producing conditions and exposures to your organization. This in turn will achieve the second objective, which is to help you control the costs of your insurance program and reduce uninsured losses. Your organization should understand that claims often contain hidden costs, known as indirect losses, which are not covered by insurance. Some examples of indirect losses are downtime of equipment or apparatus, temporary or permanent reductions in staffing, costs of overtime, fines, lowered morale, and poor public image.

While we cannot eliminate all of your exposures, we can help you reduce the potential for losses and, the number of losses through consistent and ongoing risk control and risk management efforts. VFIS Risk Control Services can provide your organization with a number of resources to assist you in accomplishing these objectives.

VFIS is proud to offer most of these valuable services at no cost to your organization. Following are just some of the services available to VFIS clients.

- **Mutual Aid by VFIS**—A self audit guide which highlights known loss producing exposures and directs you to VFIS resources to assist your organization in addressing them.
- **Communiqués**—Technical reference bulletins addressing specific areas of operation and offering suggested management controls in SOG/SOP language. Available on our website at www.vfis.com.
- **Direct Contact**—Risk Control specialists are available to answer questions regarding codes, laws and standards, technical issues and management and operational procedures.
- **On-site Services**—VFIS clients, meeting certain eligibility requirements, will benefit from having an on-site loss control survey conducted by one of our Risk Control representatives. The purpose is to evaluate your existing procedures to determine their effectiveness in controlling your exposures. If necessary, VFIS will then provide you with recommendations and resources to enhance or support current practices.
- **Professional Referrals**—VFIS Risk Control Services has a nationwide network of resources. If we cannot assist you directly, we will be happy to put you in contact with an agency or individual who can provide you with assistance.

RISK MANAGEMENT

The practice of Risk Management will allow your organization to identify and evaluate your loss exposures. To evaluate your exposures, you'll need to understand some basic Risk Management Principles.

1. **Never risk more than you can afford to lose.** If any given loss would cripple your organization, then you need to transfer the risk to someone else.
2. **Do not risk too much for too little return.** For example, accepting a higher level of deductible on your vehicle coverage may only provide marginal premium savings.
3. **Know the odds.** If the potential for a given loss is very remote, then you may be able to address the exposure a different way than if the potential occurs daily.

In summary, you need to know how much money, time and equipment is at risk. Then determine if you can assume the risk of losses yourself or transfer them to someone else. Lastly, know where frequent or serious losses are more likely to come from and address them accordingly.

Once you have this understood, then there are four risk management methods you may employ:

1. **Eliminate the exposure.** Stopping the sale or distribution of alcohol in your social hall is an easy way to eliminate your exposure.
2. **Assume the risk yourself.** Insurance deductibles are an example of assuming risk. If you don't have a frequency of losses or your organization has enough financial resources, you may want to opt for a larger deductible, such as \$1,000 or \$1,500.
3. **Reduce the exposure.** Coming to a stop at intersections could reduce the risk of having an intersection crash. This practice does not eliminate the possibility for an intersection crash, but helps to reduce the loss associated with an accident.
4. **Transfer the exposure/risk.** Although insurance is the most common method of transfer of risk, it is not the only method. Another commonly used method is a hold harmless agreement or indemnification clause in a contract.

EDUCATION, TRAINING & CONSULTING

VFIS Education, Training & Consulting department addresses the technical and educational needs of our insured. Our goal is to provide service, information, education, training and guidance to each of the emergency service organizations we insure. VFIS trains approximately 20,000 emergency service personnel per year throughout the United States and Canada. Our record demonstrates our concern for the safety and well-being of our customers, the emergency service community. In addition to this commitment, our philosophy is to stay in the mainstream of current affairs affecting the emergency services. By doing so, our staff of fire, rescue, and emergency medical specialists are able to provide information and training for the design of safety and educational materials that are both current and accurate.

Educational Programs

VFIS continues to develop and deliver programs to educate and assist our clients and potential clients. Our Driver Training Program is utilized and adopted by many states and the U.S. Fire Administration. VFIS offers a series of Safety and Risk Management Programs, CD-ROMs, posters, books, and videos. VFIS develops programs to meet current needs and hot topics such as Vehicle Safety, Harassment and Discrimination, and Employment Practices Liability. VFIS also provides an array of programs for the EMS community such as Patient Care Documentation, Infectious Disease Control and Patient Handling.

Resources

We pride ourselves on being a valuable resource to our clients by providing safety forms, self-inspection materials, safety posters, newsletters, guides to formulating guidelines and procedures, and more. Information about VFIS Education and Training, VFIS products and our order form can be accessed through our website, www.vfis.com.

Technical Support

We have a staff of knowledgeable associates who are available to answer questions and provide technical support including a regular review of the Federal Register, the Emergency Medical Technician Legal Bulletin and review of Standard Operating Procedures and Guidelines. We also subscribe to numerous periodicals and newsletters such as *EMS Insider*, *Fire Command* and *Fire Station Lawyer*. Our associates can be contacted through our website, www.vfis.com.

Memberships and Professional Affiliations

We actively participate in various organizations including the International Association of Fire Chiefs, National Volunteer Fire Council, Fire Department Safety Officers, Congressional Fire Services Institute, International Society of Fire Service Instructors, National Association of EMTs, Commission on Fire Accreditation, National Fallen Firefighters Foundation and others. We also maintain many affiliations with other local, state and national organizations.

Distance Learning

In our continuous efforts to improve safety and operations in the fire and EMS services through education, training, and risk management, VFIS has joined forces with St. Joseph's University in Philadelphia, PA in the development of a distance-learning program.

VFIS is pleased to offer our distance-learning programs at vfis.sju.edu. Our programs address privately owned vehicles, firefighter safety, sexual harassment prevention (refresher), infectious disease (refresher), seat belt safety, intersection navigation and more.



Insuring America's Heroes

183 Leader Heights Road
P.O. Box 2726
York, PA 17405
800-233-1957
Fax: 717-747-7030
www.vfis.com

Property & Casualty Insurance

Underwritten by: American Alternative Insurance Corporation with its principal place of business in Princeton, N.J.

Length of Service Awards Programs and Group Term Life Insurance

Underwritten by:

Combined Life Insurance Company of New York, Latham, New York. (New York clients)
Combined Insurance Company of America, Chicago, Illinois. (All states except New York)

Group Annuity contracts underwritten by **Mass Mutual Financial Group**.

Accident & Sickness underwritten by **National Union Fire Insurance Company of Pittsburgh, Pa.**, with its principal place of business at 175 Water Street, 18th Floor, New York, New York 10038.

Critical Illness coverage underwritten by **ACE American Insurance Company** located at 436 Walnut Street, WA04F, Philadelphia, PA 19106

Represented By: