

WHY ALL WSMGS CLUBS SHOULD BE INCORPORATED & RMFMS MEMBERS

Club Liability Check- IF your club is NOT incorporated OR current with the required Annual Report with the Wyoming Secretary of State AND members of the Rocky Mountain Federation of Mineralogical Societies you might consider this information:

Limited Liability - Your club can be named in a lawsuit! **If your club is incorporated**, under the law, creditors and courts are limited to the assets of the nonprofit organization. The original incorporators/ founders, board members, members, & employees are not personally liable for the Club's debts –meaning their own money, houses, cars, or property is not at risk. There are exceptions: A person cannot use the corporation to shield illegal or irresponsible acts on their part. Also the Board of Directors have a fiduciary responsibility- if they do not perform their jobs in the nonprofit's best interest, and the nonprofit is harmed, they can be held liable. **[Wyoming Secretary of State Annual Incorporation Cost = \$25 / year]**

If your club is NOT registered as an incorporated nonprofit corporation and current with the required WY Secretary of State's Annual Report, your club AND it's members may be legally liable if subject to a lawsuit. (Contact the WSMGS Board with questions about how to incorporate your club.)

RMFMS Liability Coverage -This general liability insurance provides protection for RMFMS affiliated clubs (who purchase this insurance) from third party nonmember individuals who allege to be injured/damaged because of your club's negligence. It does protect the club resulting from its member's participation in club or RMFMS/WSMGS sponsored activities. Club members are defined as all recorded members of the club regardless of their classification (junior, adult, honorary/life), including all new members recorded after the initial yearly liability insurance payment is made to the RMFM. The RMFMS liability insurance does not cover damage or injury from:

- Your personal negligence in regard to yourself or the alleged negligence of other club members to each other or to club property.
- Car/airplane/boat accidents while on club/RMFMS/WSMGS sponsored activities.
- Nonmember guests participating in club/RMFMS/WSMGS sponsored activities (coverage may be approved upon legal review (case by case).
- Sponsored activities in which negligence occurs in conjunction with alcohol consumption.
- Pollutants
- False advertising
- Willful acts except protection of persons or property.

The RMFMS will provide a "Certificate of Insurance" as proof of liability insurance & "Additional Insured" rider that may be required by landowners, hotels, meeting places or other facilities utilized for club/RMFMS/WSMGS sponsored activities. Allow 2 months for this approval from RMFMS insurance carrier.

RMFMS Costs: Membership = \$1.50/member + Insurance = \$0.60/ member].

(Referenced from the Jade State News- November 2012-Page 4)