

## EXPLANATION OF INSURANCE ISSUES SURROUNDING STUDY ABROAD

It is the policy of Pace University that all contracts must be reviewed and approved by University Counsel as to legal terms and reviewed for business terms and signed on behalf of the University by the Treasurer (Dr. Rick Whitfield) or Assistant Treasurer (Ronald Nahum). Assuring that agreements contain adequate indemnification and insurance provisions is part of University Counsel's review. Pace faculty tour leaders should not be negotiating legal terms of agreements. They should provide vendors with Pace's standard rider and advise the vendors to contact University Counsel if they have questions or concerns about rider provisions.

Pace has insurance that protects the University against claims by our students and third parties arising from the University's negligence in connection with University program related travel. The University's insurance does not provide coverage for claims by our students or third parties for personal injury or property damage arising from the negligence of tour operators or vendors retained to provide tour services (e.g., transportation, accommodations, meals). (We may however, be found liable if we negligently hire vendors that we knew or reasonably should know to be unlicensed or dangerous.) The University's insurance also does not provide refund protection in the event of cancellation of all or portions of tours.

Over the years, when tour contracts (for both domestic and international group tours) have been submitted to University Counsel for review, we have routinely sought to have the tour operators present evidence of their insurance coverage. Most of the major operators carry "Travel Agents Professional Liability Insurance" and trip cancellation coverage. Attached herewith is a copy of

~~Professional Counselor's contract with University of Pennsylvania for international tours for a fee of \$15 million~~  
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[e.g., lead paint, asbestos, ladders] or communicable diseases. We should require no less from a foreign hospital.

If we would require a United States entity to indemnify Pace in connection with a similar activity, whenever possible we will also seek to obtain a pledge of indemnification and a certificate of insurance from the foreign entity.

Even if the foreign site provides the requested written assurances, faculty tour leaders must still exercise due diligence to avoid hazardous conditions or practices that may only become apparent when they are at the site.

Stephen Brodsky  
University Counsel