



Sprague Israel Giles
INSURANCE

**NONPROFIT NOTICE
POTENTIAL CLAIM AREAS FOR DIRECTORS, OFFICERS OR TRUSTEES**

1. Acts beyond organization powers
2. Acts of executive committee
3. Approval of organization acquisition with resulting loss of organization assets
4. Attendance at directors' meetings and committee meetings
5. Conflict of interest
6. Continual absence from meetings
7. Disclosure of material facts
8. Dissemination of false or misleading information
9. Dissent from improper or wrongful acts of board of directors or committee
10. Examination of all reports and documents before signing
11. Extension of credit where not warranted
12. Failure to ascertain whether extension of credit would be warranted
13. Failure to detect and stop embezzlement of organization funds
14. Failure to file annual report
15. Failure to inspect organization book and records in order to keep abreast of its activities
16. Failure to require withholding in connection with Social Security and Income Tax
17. Failure to record dissent from wrongful acts of board of directors whether or not dissenting director attended meeting at which such action was taken
18. Failure to supervise the activities of others in proper manner
19. Failure to verify facts in official documents before signing and filing them
20. False or misleading reports
21. Fraudulent conduct
22. Fraudulent reports, financial statements or certificates
23. Ignorance of organization books and records
24. Inducing organization to commit breach of contract
25. Inducing or abetting organization in commission of torts
26. Inefficient administration resulting in losses
27. Loans from officers, directors or trustees
28. Permitting organization to engage in activities prohibited by statute
29. Permitting organization to make improper guarantees
30. Permitting organization to pay bribes or make other illegal payments
31. Preferences at the expense of organization creditors
32. Sale of organization asset for unreasonably low price
33. Shirking responsibility
34. Transactions with other companies in which officers or directors are personally interested
35. Unreasonable accumulations
36. Violations of specific provisions of articles or by-laws
37. Violations of state statutes
38. Wasting of organization assets
39. Willful wrongdoing
40. Discrimination
41. Wrongful Termination