

[Date]

[Board Member Name]  
[Non-Profit Organization Name]  
[Address]  
[City, State, Zip Code]

**RE: Notice of Declination of Directors and Officers (D&O) Liability Insurance**

Dear [Board Member Name],

This letter serves as formal notification that [Non-Profit Organization Name] has officially declined the offer to purchase Directors and Officers (D&O) Liability Insurance for the policy period of [Start Date] to [End Date].

The decision to decline this coverage was made by the Board of Directors on [Date of Meeting] after reviewing the associated costs and coverage terms provided by [Insurance Agency/Carrier Name].

By declining this coverage, the organization and its individual directors, officers, and volunteers acknowledge that:

- There is no insurance protection in place to cover legal defense costs or settlements resulting from claims of "wrongful acts," mismanagement, or breach of fiduciary duty.
- Individual board members may be held personally liable for legal claims brought against the organization.
- The organization will be responsible for funding its own legal defense in the event of a lawsuit related to governance decisions.

Please keep a copy of this declination in your records. If you have any questions regarding this decision, please contact [Name/Title of Contact Person].

Sincerely,

[Signature]  
[Printed Name]  
[Title, e.g., Board President/Executive Director]

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**Acknowledgment of Receipt:**

I acknowledge that I have been informed of the organization's decision to decline D&O Liability Insurance.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_