

INSURANCE FAQ

WHAT TYPE OF INSURANCE DO WE HAVE?

The Fraternity/Sorority purchases liability insurance, which is insurance that protects the organization against claims from legal liability, provides legal defense, and pays sums necessary to settle claims against the Fraternity/Sorority.

WHO IS INSURED UNDER THIS INSURANCE POLICY?

The insurance coverage will pay claims up to the stated liability for the following organizations and/or people only while in compliance with the health and safety of the Fraternity/Sorority:

- The local undergraduate chapter that is chartered and recognized by the organization **when it complies with the laws** of the host institution, city, county, state, and country in which it operates and the policies of the Fraternity/Sorority. Undergraduate chapter officers, executive committee, committee chairman, and members while performing the duties of elected or appointed positions within the scope of their duties on behalf of the organization, and in compliance with Fraternity/Sorority policies.
- House Corporations, Householding Corporations, Chapter Education Foundations, House Associations, Alumni/ae Control Boards, Alumni/ae Advisory Boards, Alumni/ae Associations, Alumni/ae Corporations, Alumni/ae Chapters, Board of Advisors, Board of Governors, Executive Councils, and Parent Clubs, but only while acting within the scope of their duties on behalf of the organization and in compliance with Fraternity/Sorority policies.
- Officers, Directors, Trustees, Partners, Coordinators, Custodians, Committee Members, Council Members, Volunteers, Housemothers, Resident Advisors, Faculty Advisors, Fraternity/Sorority Members, Member Candidates (Pledges), and Employees of the Named Insured, but only while acting within the scope of their duties on behalf of the organization and in compliance with Fraternity/Sorority policies.

Our insurance does not cover anyone who is acting in a criminal way, or a way that could intentionally cause harm to someone else. This is not a personal liability policy; it only protects volunteers working within the scope of their duties.

WHO IS NOT INSURED UNDER THIS POLICY?

- Any individual member, alumna/us, trustee or advisor who is performing tasks outside of their responsibility (e.g., spontaneous social function planned by an individual member, chapter advisor consuming alcohol with collegians, hazing of members, etc.).
- Any member whose illegal or intentional actions result in death or injury to an individual or property damage.
- Any insured(s) that participate, supervise or direct others to participate in Excluded Acts, including but not limited to Assault and Battery, Sexual Abuse or Molestation, or Hazing.
- Members' parents or family members and guests of chapter members.
- College/University administration



WHY DO WE NEED INSURANCE COVERAGE?

- More Colleges and Universities demand it for recognition
- Opens the door to expansion and growth
- Perpetuate the organization: Let us continue for the next 100 years
- Recruit and retain alumni/ae involvement
- Protect our undergraduate members when they are acting for and on behalf of the Fraternity/Sorority
- Responsible thing to do

Suppose that someone is injured during a chapter event, the injured party files a lawsuit, and you are named as a defendant. Our insurance will cover you, as well as the Fraternity/Sorority, as long as you are an active, paid member of the organization in good standing, you did not violate any laws or the risk management policy, or intentionally cause harm to the other person, and you were acting in good faith. An individual is protected when acting in the scope of their duties on behalf of the Fraternity/Sorority while in compliance with its policies.

WHAT IS CONSIDERED A CHAPTER EVENT?

To understand what may be considered a Fraternity/Sorority event, consider the following questions. If the answer to any question is "yes", then regardless of the location (annex, brother's/sister's house, apartment), your University, the Fraternity/Sorority, and a court of law may consider it a Fraternity/Sorority event. Therefore, the policies of the organization need to be followed.

- Is the event being hosted or planned by one or more members of the chapter and supported by the Executive Council?
- Is the event financed by the chapter and/or being hosted on chapter property?
- Is the event being hosted or planned by one or more members and supported by members/associate/new members?
- Does the Executive Council have prior knowledge of the event?
- Is the event listed or advertised on the chapter website or social media accounts [e.g. Facebook, Twitter, etc.]?
- Do online invitations refer to the organization [e.g. Facebook events]?
- Is the event listed on a chapter calendar [public or private]?
- Will the event be announced at a chapter meeting?
- Will members of the Executive Council be in attendance?
- Will the event be marketed over the chapter listserv?
- Are members attempting to rename the event in order to give the appearance that it isn't associated with the fraternity?
- If guests were stopped on their way to the event, would they say they were going to a the "XYZ" event?
- Is the event actively or passively endorsed by a majority of the active chapter?
- Have members of the chapter lied about the event?



WHAT DO WE DO IF SOMEONE IS HURT?

Assist the injured by administering first aid to the best of your ability and call for help (police, fire department, ambulance, 911, etc.) Secure the area to keep others from getting hurt. While on the scene, if possible, get names, addresses and phone numbers of all parties involved, as well as any witnesses to the accident.

It is imperative all losses or incidents be reported immediately to the Fraternity/Sorority (must provide contact information). If you question whether to report a potential claim, **report it!** To file a claim, your contacts at Holmes Murphy are MK Mashek, ext. 5500, mmashek@holmesmurphy.com or Rob Meraz, ext. 4189, rmeraz@holmesmurphy.com.

WHAT IS A CERTIFICATE OF INSURANCE?

A Certificate of Insurance is a form that verifies that you have insurance, states the coverage limits, and identifies who is covered under the policy. All recognized certificates and a copy of the Insurance and Claims manual are sent to the chapter president after full payment is received by Holmes Murphy. Sometimes your university will want to see a Certificate of Insurance as proof that you have adequate insurance. Contact the National Office, and we will send a copy to your university. But usually, when someone asks for a Certificate of Insurance, they want the Fraternity/Sorority to name them as an additional insured, which means that they want our insurance policy to cover them.

HOW TO NAME AN ADDITIONAL INSURED?

Only the Inter/National Office can approve naming an additional insured to our policy. We consider these requests carefully. If a third party asks you for a Certificate of Insurance naming them as an additional insured, start off by making a request to Holmes Murphy. They will review the request and then contact us for our approval. The process can take 10 to 14 days. If you are planning an event at a hotel or other venue please also submit a copy of your contract with the facility along with the complete Additional Insured request form from the Insurance and Claims manual.

WHY ARE RISK MANAGEMENT FEES SO EXPENSIVE?

Fraternalities and Sororities are a high risk market, so our insurance premium, the amount we pay to the insurance company, is very expensive. Factors influencing those fees include:

- Lack of interest in insuring fraternities and sororities by the insurance industry in general
- Loss experience for Fraternity/Sorority and sorority organizations as a whole and the individual organizations
- Poor public reputation of fraternities and sororities
- Men's general fraternities are the 6th highest underwriting risk
- A "headline" loss will impact everyone
- Individual loss experience
- Premise exposure

WHAT HAPPENS IF WE DO NOT PAY?

The chapter will be suspended, lose its insurance coverage, and face other disciplinary action by the Inter/National Office.



Like us on Facebook at
Holmes Murphy
Fraternal Practice



Follow us on Instagram
@HolmesMurphyFS



Follow us on Twitter
@HolmesMurphyFS