



**NEW ENGLAND CONFERENCE  
THE UNITED METHODIST CHURCH**

**Insurance and Risk Management Program**

**Effective August 1, 2008  
And January 1, 2008**



**FRED C. CHURCH**

**I N S U R A N C E**

... an Assurex Global Partner

Dear Church Leader:

Fred C. Church Insurance and Utica National Group are proud to have been chosen by The New England Conference for the Conference Unit Insurance Plan. This fifth edition of our booklet details the Insurance Plan as of August 1, 2008. It has been updated to include the enhancements we have made, and still includes all the basics about your insurance program.

We understand the value your property and other financial assets have as part of the mission of your church. As pastors and trustees, you have played a key role in the important responsibility of protecting those assets. Through safety awareness, ongoing property maintenance, and good communication to your congregation, you can continue to help manage the risks of financial loss.

We want to renew the commitment we made in 1998 – to support and focus your local management efforts as much as possible.

To do that, we will continue to:

- **Respond** to your questions and concerns – quickly, honestly, pleasantly and helpfully.
- **Resolve** your insurance claims – fairly, sensitively and responsively.
- **Communicate** with you regularly – to coordinate and facilitate your risk control efforts.
- **Educate** your trustees, your employees and your congregation about risk prevention.

Finally, we will keep working hard to provide you with the broadest coverage, most competitive premiums, and best service we can. Your Conference chose Utica and Fred C. Church because of the strength of our program in all three of these areas. Both of our organizations appreciate that choice, and we look forward to the opportunity of continuing our relationship.

Chris Duble  
Executive Vice President  
Fred C. Church Insurance

## How To Reach Us

**Fred C. Church**                      800-225-1865 (Telephone)

978-454-1865 (Facsimile)

**Chris Duble**                      Account Executive &                      Office: Extension 7225  
Executive Vice President                      Home: 978-352-8846  
Cell: 978-790-6344  
e-mail: [cduble@fredcchurch.com](mailto:cduble@fredcchurch.com)

**Patty Smith**                      Commercial Senior Account Manager                      Office: Extension 7217  
UMC Service Team Leader                      e-mail: [psmith@fredcchurch.com](mailto:psmith@fredcchurch.com)

**Jeannette Angles**                      Commercial Account Manager                      Office: Extension 7268  
UMC Service Team Member                      e-mail: [jangles@fredcchurch.com](mailto:jangles@fredcchurch.com)

**Deanna Bullock**                      Commercial Claims                      Office: Extension 7242  
Team Leader                      e-mail: [dbullock@fredcchurch.com](mailto:dbullock@fredcchurch.com)

## **Claims & Losses**

### **What to Do Immediately**

Your first response to any real or potential loss – property damage, personal injury, criminal act, etc. – should be to minimize further loss (e.g. call the Fire Department, secure endangered valuables). Using common sense and whatever resources are available immediately - do whatever you can to stabilize the situation and prevent more damage.

Should the incident involve personal injury or damage to someone else's property, get as much information as possible right away. You should at least get their name, address, telephone number, and their description of what happened; ideally you should get similar information from one or more witnesses.

Then, and as soon as possible, you should notify us.

### **Who To Notify**

**Please report any Utica claim – regardless of location, type or size – to Fred C. Church's Claims Reporting Unit:**

- Normal Business Hours: 800-225-1865 extension 7242, Deanna Bullock
- After Hours and Weekends: 800-225-1865 our answering service will contact us for you

All claims – even *potential* losses such as the threat of a lawsuit – should be reported directly to Fred C. Church. Please remember that your property deductible is \$1000 – there is no need to report those losses, which do not and will not exceed the deductible. Utica's claims team has a dedicated staff for the churches of the New England Conference; a member of this claims team can be reached 24-hours every day. In the event you need to contact Utica directly after normal business hours call: 800-695-1914.

**Please report any actual or potential claim regarding Trustees and Officers Liability as soon as possible to:**

1. Reverend Charles Carnahan, Treasurer &  
Director of Administrative Services  
New England Conference 978-682-8055 extension 110
2. Chris Duble, Executive Vice President  
Fred C. Church Insurance 800-225-1865 extension 7225

# Table of Contents

	<i>Page</i>
<b>Coverage</b>	
• General policy information .....	1
• Policy summaries	
Property and Boiler Equipment.....	2-3
Crime.....	4
Liability .....	4
Automobile.....	5
Umbrella .....	5
Workers' Compensation .....	6
Volunteers .....	6
Trustees & Officers .....	6
International .....	6
<b>Changes &amp; New Exposures</b>	
• Who to notify .....	7
• What we need to know about.....	7
• How to notify us.....	7
<b>Claims &amp; Losses</b>	
• What to do immediately .....	8
• Who to notify .....	8
• What to expect .....	9-10
<b>Certificates of Insurance</b>	
• What are they.....	11
• When you should request a certificate from other organizations.....	11
• How to get a certificate requested of you .....	11
<b>Utica/Fred C. Church Visits</b>	
• When & why we will visit you .....	12
• What to expect .....	12
<b>Most Common Concerns.....</b>	<b>13-14</b>
• Your questions	
• Our answers	
<b>Utica and Fred C. Church</b>	
• Organizational profiles.....	15
• How to reach us .....	16
• Incident Report.....	17
• Changes & Special Exposures .....	18
• Account Team.....	19

## Coverage

Following is a brief summary of your insurance program. It in no way changes the actual terms and conditions of the policy. For specific questions or determinations of coverage in unique situations, you should refer to the policies themselves or call Fred C. Church at 800-225-1865 (Chris Duble at extension 7225, Patty Smith at extension 7217, or Jeannette Angles at extension 7268).

### General Policy Information

Policy Number	Insurer	Policy Term	Coverages
CPP4061874	Utica	August 1, 2008 - 2009	Property Crime General Liability
BAC4061872	Utica	August 1, 2008 - 2009	Automobile – NH, ME, RI, CT, VT
BAC4061871	Utica	August 1, 2008 - 2009	Automobile – MA
CULP4061873	Utica	August 1, 2008 - 2009	Umbrella Liability
WC4082954	Utica	January 1, 2008-2009	Workers Compensation
WC4091793	Utica	January 1, 2008-2009	Workers Comp CT & MA only
PHSD204204	Philadelphia Indemnity	August 1, 2008 - 2009	Trustees & Officers Liability
SRG9056613	AIG	August 1, 2008 - 2009	Accidental Death & Dismemberment – Volunteers
PHFD36912935	ACE, USA	August 1, 2008 - 2009	International Liability
FBP2243464	Hartford Steam Boiler	August 1, 2008 –2009	Boiler & Machinery

### To Review & Receive Copies of Policies

Should you wish to review the policies themselves, they are available at the New England Conference office in Lawrence, MA. A copy of any policy may be obtained for a copying and mailing charge. Please contact Merry Hoyt at (978) 682-8055 extension 111.

### Additional copies of this Program Booklet

Can be obtained from the NE Conference website: [http://www.neumc.org/forms\\_find.asp](http://www.neumc.org/forms_find.asp)  
Or, contact the Fred C. Church office.

### How to Request Boiler Inspections

You can call 800-333-4677 between 7:00 am and 6:00 pm EST, Monday through Friday – refer to your policy # FBP2243464.

Or, contact our Fred C. Church office and we will be happy to handle the request for you.

## Property Insurance

### 1. *Property Covered*

Owned buildings (including parsonages and church-related property), permanently installed fixtures, machinery, equipment, glass, stained glass windows, organs, outdoor fixtures, fences, and outdoor signs.

Church-owned “personal property”, such as furniture, computers, supplies, etc.; personal property of others in your care, custody or control, while in or adjacent to the insured buildings; and personal property owned by pastors living in church housing.

### 2. *Deductibles*

\$1,000 per occurrence deductible will apply to all property claims except:

\$25,000 per occurrence – Earthquake

\$25,000 per occurrence – Flood, if covered

Greater of 5% of loss or \$10,000 per occurrence – Wind Damage for specific coastal locations

### 3. *Limits*

The policy blanket limit is over \$600 million for real & personal property at all Conference locations. Specific sub limits (the most that will be paid on a claim) will apply to the following coverage:

Newly Constructed or Acquired Property for 180 days	\$1,000,000
Flood – Zones A, B, V, D and some coastal locations	No Coverage
- All Other Zones	\$1,000,000
Earthquake	\$3,000,000
Builders Risk Coverage for 180 days	\$1,000,000
Building Ordinance, Undamaged Portion of Bldg	Policy Limit
Building Ordinance, Demolition Cost	\$100,000
Building Ordinance, Increased Cost of Construction	\$100,000
Extra Expense/Loss of Income, 12 months	Actual Loss Sustained
Pollution Clean-up and Removal	\$15,000
Property at Other Locations	\$30,000
Accounts Receivable	\$50,000
Debris Removal	\$10,000
Valuable Papers and Records	\$25,000
Outdoor Plants	\$10,000
Property in Transit	\$15,000
Fine Arts, per item	\$2,500
Fire Department Service Charge	\$5,000
Business Property of Pastors	\$5,000
Personal Effects & Property of Pastors and Others	\$15,000
Back up of Sewers & Drains	Policy Limit
Back up of Sewers & Drains, some Coastal Locations	\$15,000
Surface Water, except for some Coastal Locations	\$15,000
Arson Reward	\$7,500
Mold	\$15,000
Computer Equipment	\$20,000
Vacancy Restriction	60 days

4. *Claims Settlement Basis*

Replacement cost is the basis for valuation of property losses. This means that your damaged or destroyed property will be covered at the full cost of repair or replacement with new property of like kind and quality.

5. *Extra Expense/Business Income*

Extra expenses for loss of income resulting from a covered loss are covered at actual loss sustained for 12 consecutive months. For example, should a fire force the cancellation or relocation of a church fund-raising event, extra expenses incurred or actual lost income would be covered. Loss of rental income is included.

6. *Flood Coverage, outside Zones A, B, V & D and some coastal locations*

\$1,000,000 per occurrence outside Flood Zone A, B, V & D. A \$25,000 deductible applies per loss. Coverage may be obtained through Fred C. Church for locations in Flood Zone A, B, V & D under the National Flood Insurance Program. To determine what Flood Zone your church property is in, you should contact your local town or city hall; if unsuccessful, call us at Fred C. Church.

## **Boiler, Machinery & Energy Systems**

1. *Limits*

Property Damage	\$5,000,000
Extra Expense/Business Income	\$500,000
Water Damage	\$50,000
Hazardous Substances	\$50,000
Perishable Goods	\$50,000

*Deductible \$1,000*

## Crime Insurance

1. Coverages	<i>Limit</i>
Employee Dishonesty	\$100,000
Depositors Forgery	\$30,000
Money & Securities	\$30,000
2. Deductible per claim is \$1,000	

*Note: If you feel these limits are insufficient to cover a specific exposure at your church, please contact Fred C. Church at 1-800-225-1865.*

## General Liability

### 1. Who Is Insured?

The New England Conference, district offices, camps, the retreat center, and local churches as well as their employees and volunteer workers.

### 2. Limits of Liability

- Bodily Injury and Property Damage \$1,000,000 each occurrence
- Personal & Advertising Injury \$1,000,000 any one person or organization
- Fire Damage Legal Liability of \$250,000 each occurrence
- Medical Payments up to \$15,000 per person
- The policy is subject to a limit of \$2,000,000, per policy year, for each location.

### 3. Coverage Notes

- Sexual misconduct is covered for the acts of employees, officers, and trustees.
- Coverage applies to church-controlled, on-site day care or childcare, if you have advised us of this exposure. Please be sure to notify your Fred C. Church team if you have a licensed day care or childcare operation (this does not include childcare during church services, which is covered automatically).
- Pastoral Professional Liability is covered for Pastors and other employed Counselors.
- Teacher's Liability, including coverage for corporal punishment, is provided for employees and volunteers.

## Automobile

### 1. *Non-Owned Vehicles*

Liability coverage is provided for vehicles not owned by the church but used for church purposes. Covered insureds include the church itself, pastors and other employees, trustees and volunteers – all as drivers or owners of the vehicles.

### 2. *Owned Vehicles*

Coverage is provided for vehicles owned by the Conference and sited at the camps or retreat center for both liability and physical damage. Limits of liability and deductibles are as follows:

Coverage	Limit of Liability	Deductible
Bodily Injury/Property Damage Liability	\$1,000,000 per accident	-
Medical Payments	\$5,000 per person	-
No Fault	Per state regulations	-
Uninsured/Underinsured Motorists	\$1,000,000 per accident	-
Comprehensive	Actual Cash Value	\$100
Collision	Actual Cash Value	\$250
Physical Damage – Rented Vehicles	\$50,000	\$500

### 3. *New Vehicles*

New vehicles are not automatically covered – please let Fred C. Church know ahead of time if you plan to change vehicles or acquire a new one.

### 4. *Church-Owned Vehicles*

The current program also can cover vehicles owned by local churches, **other than 12 and 15 passenger vans**. Coverage is available through Utica – please contact Fred C. Church staff.

## Umbrella Liability

Coverage will apply in excess of Utica's primary policies for General Liability, Automobile Liability, and Utica's Employer's Liability. It does not apply in excess of the Trustees & Officers Liability policy. Sexual misconduct coverage is included in the umbrella up to a \$5,000,000 limit.

Limit of Liability:       \$10,000,000.

## **Workers' Compensation**

Statutory coverage is provided in all six New England states on Utica's policy. Covered individuals include pastors and all other employees of local churches, camps, the retreat center, District offices, and the Conference office.

## **Accidental Death and Dismemberment / Medical Expenses - Volunteers**

This coverage is provided by AIG specifically for church volunteers who might be injured since they are not covered by the church's Workers' Compensation insurance. It provides coverage for resulting medical expenses up to \$25,000, and accidental death and dismemberment up to \$10,000 – with no deductible.

International coverage is available upon request and notification of travel. Please contact the Fred C. Church office to inform us of any international travel.

## **Trustees & Officers Liability**

### *1. Covered Causes of Loss*

Coverage is provided for all wrongful acts as defined by the policy alleged against any insured. Examples include employment-related acts (discrimination, sexual harassment, wrongful termination) as well as some other lawsuits alleging financial damages. Legal defense costs as well as the amount of any settlement or award are covered up to the limit of liability.

### *2. Limits of Liability*

\$10,000,000 each claim  
\$10,000,000 annual aggregate

### *3. Deductible*

\$5,000 per claim

### *4. Insureds*

Covered by the policy are pastors and other employees, trustees, officers, volunteers, committee members, and the church itself.

## **International Coverage**

Coverage for international travel for employees and liability arising out of international bodily injury or property damage liability:

1. Foreign Bodily Injury or Property Damage Liability \$1,000,000
2. Excess Foreign Automobile Liability \$1,000,000  
Excess over locally required coverage
3. Workers' Compensation \$1,000,000  
Repatriation \$500,000  
International Assistance Service

## **Changes / New Exposures**

**It is critical that you notify us of any changes, which might create a property or liability exposure difference. This includes vacant properties, new construction and major renovations.**

### **Who to Notify**

For any changes, including those which may seem inconsequential to you, please notify your Fred C. Church service team. Please call us if you are not sure whether something requires notification.

### **What We Need to Know About**

Please let us know about any of the following:

- Building changes – new construction, renovations, repairs, and demolitions that exceed 10% of the value of the property.
- Other property – substantial purchases or gifts of furniture, office equipment, computers, athletic and playground equipment, fine arts, musical instruments, etc.
- Operations changes – new activities which might produce a risk of liability, such as camps, schools, day care or church-sponsored special trips.
- Tenants – outside organizations which use your church on a one-time or regular basis and whose activities might increase the likelihood of personal injury or property damage.
- All other – anything which might possibly constitute a major physical or operational change to your current program or physical plant.

Most of these changes will be covered – some automatically and some with specific handling, including a separate premium charge for your church. However, some will not; it is critical that you let us know.

### **How to Notify Us**

Complete the Change/Special Exposure Form on page 18 and return it to Fred C. Church. We may contact you to discuss further, notify you if the exposure is not covered and explain your alternatives, or make the change.

## **Claims & Losses**

### **What to Do Immediately**

Your first response to any real or potential loss – property damage, personal injury, criminal act, etc. – should be to minimize further loss (e.g. call the Fire Department, secure endangered valuables). Using common sense and whatever resources are available immediately, do whatever you can to stabilize the situation and prevent more damage.

Should the incident involve personal injury or damage to someone else's property, get as much information as possible right away. You should at least get their name, address, telephone number, and their description of what happened; ideally you should get similar information from one or more witnesses.

Then, and as soon as possible, you should notify us.

### **Who to Notify**

**Please report any Utica claim – regardless of location, type or size – to Fred C. Church's Claims Reporting Unit:**

- Normal Business Hours: 800-225-1865 extension 7242
- After Hours and Weekends: 800-225-1865 our answering service will contact us for you

All claims – even *potential* losses such as the threat of a lawsuit – should be reported directly to Fred C. Church. Please remember that your property deductible is \$1000 – there is no need to report those losses, which do not and will not exceed the deductible. Utica's claims team has a dedicated staff for the churches of the New England Conference; a member of this claims team can be reached 24-hours every day. In the event you need to contact Utica directly, call: 800-695-1914.

**Please report any Workers' Compensation Claim directly to Utica Uti-Care:**

- [www.uticantional.com/Uticare](http://www.uticantional.com/Uticare)
- Telephone 800-284-3806 or FAX 770-409-5008

**Please report any actual or potential claim regarding Trustees and Officers Liability as soon as possible to:**

Reverend Charles Carnahan, Treasurer and Director of Administrative Services  
New England Conference, Lawrence, MA 978-682-8055 extension 110

Chris Duble, Executive Vice President  
Fred C. Church Insurance, Lowell, MA 800-225-1865 extension 7225

## What To Expect

Once you report a claim, Utica and Fred C. Church commit to the following:

- *Central Control* – centralized Utica claims service team dedicated to the New England Conference will oversee the handling of all claims. Gary Moran, Director of Property & Casualty Claims in the Wakefield, Massachusetts office leads this team – he can be reached at 800-695-1914 extension 2665.
- *Major Claims* – telephone response within 15 minutes all day, every day, on claims involving major property damage or severe injury.
- *All other Claims* – A Utica representative will be assigned and in contact with you on every claim within 24 hours of reporting. If reported during normal business hours (8:30 a.m. to 5:00 p.m., Monday - Friday), you can expect telephone response within one hour of reporting.
- *Local Service* - a specialist from the nearest Utica office will work with you to adjust the claim.
- Specific Claims Handling By Coverage
  1. Property
    - Major Loss – immediate, on-site response, 24-hours/7days a week.
    - All Other
      - Acknowledgement within 1 hour;
      - Assigned claims representative in 24 hours;
      - Representative will always visit on-site if you want, even on small claims;
      - If easier, Utica will accept estimate from church's contractor on non-major loss;
      - Utica will provide names of specialized contractors and suppliers (e.g. steeple repair, church pews) upon request.
  2. General Liability
    - Representative will contact church pastor within 24 hours for details and discussion of claims-handling strategy.
    - Utica will contact third party claimant only after discussion with pastor to be sure church perspective on what happened is clearly understood.
  3. Workers' Compensation
    - A claim should be reported directly to Utica ("Uti-Care") any time a church employee, including the pastor, becomes sick or injured because of – and while on – church business.
    - Report by **Telephone: 800-284-3806, FAX 770-409-5008** or, report **online** at the Utica website [www.uticantional.com/Uticare](http://www.uticantional.com/Uticare)
    - Assigned claims representative will contact church and injured employee within 24 hours.
    - Uti-Care partners with Intracorp to provide immediate early intervention and coordination with preferred medical providers, nurse case management, return to work/light duty programs, and other options.
    - Utica will coordinate any state-specific reporting requirements.

#### 4. Trustees & Officers Liability

- Confidential treatment of all claim information by claims adjusters and attorneys.
- Coverage for legal defense costs up to the policy limit of liability on all covered claims.
- Definition of Claim:  
“...means any demand made upon the insured for monetary damages, whether formal or informal, written or oral, as a result of a wrongful act.

- *Utica National Group Assistance*

Utica has claims staff dedicated to the United Methodist churches, and will be notified by Fred C. Church about every claim.

Utica, and Philadelphia have well-deserved reputations for fair and responsive claims settlement. However, should you have any questions or concerns about how a claim is being handled, we stand ready as your advocate.

Please feel free to call: **Deanna Bullock, Claims Team Leader 800-225-1865 extension 7242**

## **Certificates of Insurance**

Certificates of Insurance are becoming a frequently-used risk management tool for many businesses and organizations. You will be required by others to provide them, and you should be asking for them in certain situations.

### **What are they**

A Certificate of Insurance is simply evidence that an insurance policy exists, typically presented by the insured on that policy to an outside party who has some financial interest in the policy's coverage.

### **When You Should Request a Certificate**

You can and should request a certificate from any organization or individual – especially a tenant or a contractor – who is using or working on your premises, equipment or other property.

You should require that both your church and “New England Conference The United Methodist Church” – be named as *additional insured* on their liability policies.

You should always request a certificate evidencing General Liability and – when appropriate – Workers' Compensation (if their employees will be on your property or doing any work for you) and Automobile Liability (if they will be using their vehicles).

By making these requests and obtaining certificates, you will be accomplishing two important risk management objectives. First, you will be sure that they indeed have insurance to respond to an accident or lawsuit; otherwise, you could suffer financially. Second, if your church gets named in a lawsuit even though there was no negligence on your part, their policy will cover you – if you are named as an additional insured on their policy.

### **When Someone Requests a Certificate from You**

Should another organization request a Certificate from you, simply contact your Fred C. Church service team. We will send it right out – one copy directly to the certificate holder, and one for you.

Examples of situations where you might be required to produce a Certificate of Insurance include:

- Bank which holds a mortgage or lien on your property,
- Leasing company who is leasing office or other equipment to you,
- Event at which you will be exhibiting or having a booth, table or display – such as a crafts fair or town day.

When you request the certificate, please try to let us know:

1. Name and address of the organization making the request, including specific individual who should receive Certificate if necessary.
2. Reason for the certificate.
3. What policies of yours they require evidence of, and any specific requests for limits of liability or coverages.
4. If they want to be named as an “Additional Insured.”
5. Any other special instructions.

