



## ***Frequently Asked Questions About the UMC of GNJ Insurance Program (1/1/2020 - 1/1/2021)***

**The following information is meant to supplement the Summary of Coverage booklet, not replace it. Coverage forms, conditions, and exclusions will still apply.**

### **1. What is my church building insured for in the event of a fire?**

Each church has the blanket property limit listed on its Master Certificate available at the time of loss. The insurance will only pay up to the applicable policy limit for any one covered loss. Master Certificates are mailed to each church in December. Please review your blanket limit every year and contact Sovereign Insurance if anything needs to be amended.

### **2. What should I do if I want to change the insured value of my building(s)?**

Our recommendation is to hire a licensed and insured appraiser to conduct a full replacement cost survey/appraisal of your buildings. Once the appraisal is complete the church must send a copy of the appraisal to Sovereign Insurance to review and adjust the building values as needed. Sovereign can also provide you with a quote for any building value change. Any and all appraisals are done at the expense of the church.

Below are two appraisal companies other churches within the Conference have used:

Industrial Appraisal Company	800.245.2718	<a href="http://www.indappr.com">http://www.indappr.com</a>
Mutual Inspection Bureau	800.227.0232	<a href="http://www.mibinc.com">http://www.mibinc.com</a>

### **3. My boiler needs to be inspected. What should I do?**

An inspection appointment can be made with **Hartford Steam Boiler (HSB)**. They can be reached at **1.800.333.4677** between 8AM and 8PM EST Monday through Friday to set up an appointment – you will need your Church Mutual account number to set up the appointment. Please be aware that there will be a certificate charge mandated by the State. This charge will be at the church's expense.

### **4. What care needs to be taken for a church-owned building that is vacant or unoccupied?**

If a church-owned building is vacant or unoccupied, it is extremely important that it continue to be properly maintained. The following measures must be done when a building becomes vacant or unoccupied:

- Contact Sovereign Insurance immediately to let us know the building is vacant or unoccupied and what the church's long term plans for the building are
- Lock all entry ways into the building
- Provide an adequate level of heat (55 degrees Fahrenheit or above) and properly drain and insulate all pipes or turn off all water entering into the building and properly drain and insulate all pipes. **Failure to maintain heat could result in a denial of a claim if a loss occurs**
- Maintain adequate outdoor lighting
- Keep the yard clean, free of debris, and keep the grass and weeds in check
- Conduct AT LEAST weekly inspections of the interior and exterior of the building.

**PLEASE NOTE:** If a church owned building has been vacant for 60 consecutive days or longer the following losses are excluded, and the amount paid for any covered loss or damage will be reduced by 15%.

- Vandalism;
- Sprinkler leakage, unless you have protected the system against freezing;
- Building glass breakage;
- Water damage;
- Theft; or
- Attempted theft.

Vacant means the absence of both people and furniture, or not containing the contents customary to occupancy of the building. If you have a building that will be vacant for 60 consecutive days or longer please contact Sovereign Insurance to discuss replacement coverage on that property.

#### **5. When should I obtain a certificate of insurance?**

A certificate of insurance should be obtained from any person or outside organization that wants to use the Church's property or is doing working on the Church's property. Examples are contractors coming in to construct, repair, or do any work at the church, the person who cuts the grass, snow removal, an outside group using the church for a meeting place/event, etc. In addition to asking for the certificate of insurance, the Church must be listed as an additional insured on that person's policy. The third party should have limits that are similar to your own; in this case \$1,000,000 per Occurrence/\$3,000,000 Aggregate is the minimum suggested limit you should accept. Sovereign will gladly review any certificates you receive to ensure sufficient limits and proper coverage/wording.

#### **6. What do we need to know about third party usage of our church building?**

##### **a. Is a church covered if a third party uses a church building?**

Yes. The church's liability policy will respond to a claim that arises as a result of an incident that occurs on our property. It is required that the third party will have their own insurance and has named the church as an additional insured, but in the absence of such, it is possible that the conference plan will become primary in protecting the church. The third party is not covered by the church's insurance.

##### **b. Who is covered?**

- The church entity as a named insured
- All officers, trustees, etc. as named insureds
- All church members and volunteers as additional insured.
- If litigation arises out of a third party usage of the church building and the church or any of its members are included, they will be covered (defended) under the conference plan

##### **c. Who should we allow to use our building?**

We do want to "limit" third party usage of our facilities to the extent that they bring additional liability exposures to our property. A church should always consider what type of activity the third party will be undertaking. Examples typical for churches include: Day Cares, After School Programs, Athletic leagues, Drug and Alcohol counseling, Computer Training and New Churches. The key in each situation is to evaluate the risk.

##### **d. What insurance should we require from a third party using our building?**

The church must require each third party to provide proof of general liability insurance and workers compensation (if they have any paid employees) via a certificate of insurance and enter into a formal lease/usage agreement with the third party. In terms of minimum limits of insurance to require from a third party we recommend the following:

##### **General Liability**

- Each Occurrence \$1,000,000
- General Aggregate \$3,000,000
- Personal & Adv Injury \$1,000,000
- Products – Comp/Op Agg \$3,000,000
- Damaged to Rented Premises \$500,000 or \$1,000,000
- Medical Exp (Any one person) \$10,000

##### **Workers Compensation (required for a contractor/service you pay for work done at the church or if the organization renting space has any paid employees working on your premises)**

- E.L. Each Accident \$100,000
- E.L. Disease – Policy Limit \$500,000
- E.L. Disease – Each Employee \$100,000

The above are just a basic suggestion, additional insurance may be required depending on how they are using your property. For example, if someone were selling alcohol on your premises for an event you would also need to collect proof that they have liquor liability coverage in place. If they work with youth/children they would also need to carry Sexual Abuse/Misconduct or depending on the scope of their operations you may also want to require them to have an umbrella policy in place. Contact Sovereign Insurance to discuss the specific coverage requirements.

In addition to carrying the above limits the third party must also name your church an “additional insured” on their policy and provided a certificate of insurance showing that you are named as an additional insured. If they are a recurring tenant the certificate must be updated and provided to you annually as their policy expires. In essence this makes the third party's insurance primary and the Conference Insurance Plan secondary.

The formal lease/usage agreement with this third party should at minimum include:

- Your church will be named as an additional insured on the third party's policies
- The minimum limits of insurance required
- Notice requirements to the church in the event of policy cancellation/non-renewal
- Contain hold harmless and indemnification clauses in the church's favor
- Agrees that the third party's insurance will be primary and non-contributing
- Agrees that the third party waives all rights of recovery/subrogation against the church
- Mutual indemnification, hold harmless, or waivers of subrogation are NOT acceptable

The church's legal counsel must review any written agreement prior to it being used. Your attorney is in a better position to make certain that any written agreement is correct and current under the laws of your particular jurisdiction, and that a particular agreement meets your specific needs. A sample building usage agreement can be found on Church Mutual's website [www.churchmutual.com](http://www.churchmutual.com).

Churches are also often approached about using their building for one-time events such as a wedding reception, birthday party, or graduation celebration. Again, the church should evaluate the risk of the event in light of the church's policies and overall ministries. A certificate of insurance naming the church as additional insured is always recommended. Since this type of use of the church is usually at an individual's request, their homeowner's policy may provide this coverage. For larger events, it may be appropriate to ask the individual to obtain one-day event insurance. Minimally, the church should ask the organizer of the event to sign a Hold Harmless Agreement – a sample Hold Harmless Agreement is included in the Coverage Summary Booklet. If there is difficulty in obtaining event insurance, please contact Sovereign Insurance to obtain a quote.

**e. Can we add a 'rider' to our policy to cover any third party?**

No, a 'rider' is a life insurance policy term and does not apply to the UMC of GNJ Property Insurance Program. Also, no third party can ever be covered under the church's insurance.

**7. We have repairs that need to be done to our building. Are there any guidelines on hiring a contractor/electrician/clean-up service, etc.?**

Yes, please contact Sovereign Insurance and request a copy of the Construction Primer Guide, this will aid the church in obtaining the correct proof of insurance and written agreements with any contractor. The church must have the proper proof of insurance and written agreements in place **PRIOR** to the start of work. Sovereign will gladly review any certificates you receive to ensure sufficient limits and proper coverage/wording. Further any written agreement must also be reviewed by the church's legal counsel.

**8. What is an additional insured?**

If the Church is listed as an additional insured on someone else's policy that means that the church will be afforded coverage under the other entity's policy for claims that arise out of that person's wrongdoing. For example, if a contractor came to the church to do roof repairs and carelessly left a ladder in the way and someone tripped, then the Church would be provided with primary protection under the contractor's liability coverage. The Church's policy would provide secondary coverage if the contractor's insurance policy limits were exhausted.

**9. Our church is hosting an event at another location, they are requesting proof of insurance/a certificate of insurance, and what do I need to do?**

Contact Sovereign Insurance at 610.535.6800 and advise the receptionist that you need proof of insurance and/or a certificate of insurance. You can also e-mail certificate requests to info@sovinsurance.com. Please make sure you have as much information about the event as possible including but not limited to: the location of the event, date(s) of the event, event name, number of participants/attendees, list of activities, how the certificate holder needs to be listed (their name and address, etc.). To ensure that your request is handled in a timely manner please contact Sovereign Insurance as soon as you become aware that your church needs a certificate/proof of insurance.

*A Certificate of Insurance Request Form is also included in the coverage Summary Booklet. This can also be used to expedite your request for a certificate of insurance.*

**10. Do we have flood insurance?**

The standard insurance policy does not cover flood damages associated with hurricanes, tropical storms, heavy rains and other conditions. According to NFIP, all areas are susceptible to flooding to varying degrees. In fact, 25% of all flood claims occur in the low-to-moderate risk areas.

Each church should evaluate their individual need for flood insurance. Flood coverage is offered by the National Flood Insurance Program and can be purchased on a building by building basis. The maximum limit per commercial building is \$500,000 for the building and \$500,000 for contents. There is limited coverage for contents in a basement. All coverage is actual cash value, not replacement cost. Please contact Sovereign Insurance to request a quote.

**11. Does our pastor need his/her own personal insurance?**

**YES.** The church's insurance only protects the parsonage building and the church-owned contents within the parsonage. A pastor residing in a church owned parsonage **MUST** purchase renter's insurance to cover their personal liability and their property/contents, no coverage is afforded to them or their property under the church's insurance. Sovereign Insurance can provide quotes for a renter's and personal liability insurance policy.

Also, if the church pastor has an automobile registered in the pastor's name, this vehicle would need to be covered by the pastor's own auto insurance. Only vehicles that are titled/registered to the church can be covered under the Master Insurance Program.

**12. If we experience a loss, what should we do?**

Call Sovereign Insurance Group at once. Timely reporting of claims is crucial. Even if your church is uncertain about an event that has occurred that may not yet become a claim you should still report the incident to Sovereign Insurance immediately. During normal business hours, call 610.535.6800 and ask for Tiffany Lupo (ext 3389). After hours and weekends, call:

- Property, Liability, Auto losses at 800.554.2642 option 2
- Workers Compensation loss (Church Mutual's Nurse Hotline) at 844.322.4662

If you have any additional questions, comments or concerns, again, please call Tiffany Lupo. She will guide you through the process with the claims adjusters.

**13. What information do I need to report a claim?**

Regardless of what information you have, it is very important to report a claim as soon as possible. Our account manager will discuss the claim with you and advise you how the claim will be handled. If additional information is needed, we will advise you regarding how to collect the data. Sovereign does not adjust your claim, nor do they make judgment on what is or is not covered; that is solely at the discretion of the carrier.

**When you call to report the claim please have the following information:**

- EXACT Date claim/damage occurred on or when you noticed the damage
- Who or what was involved (i.e. church building, or youth member's name that was injured, etc)
- Contact Person's name and phone number from the church who will be in contact with the insurance company to discuss the claim, arrange inspections, etc

- If you need to submit a Workers Compensation claim please call Church Mutual's Nurse Hotline at 844.322.4662

The Conference Trustees would like to stress that churches report all possible claims in a timely manner. Failure to immediately report a loss and failure to protect the property from further damage after a loss can delay the adjustment of your claim and may jeopardize your coverage for the damage under the policy.

#### **14. My church's shed was not listed on the church's List of Covered Locations. Is it covered?**

Outdoor structures such as a shed, maintenance buildings and their contents, fences, light poles, statuary, pavilions, TV antennas and satellite dishes are covered up to \$25,000. If you require a higher limit for outdoor structures, please contact Sovereign Insurance Group.

#### **15. What is General Liability?**

General Liability insurance provides the Church with protection for claims the Church is legally obligated to pay for bodily injury or property damage to another party arising out of the activities of the church. Defense Costs are part of general liability coverage and are "in addition to" the limit of liability; therefore, the cost of defense does not reduce the amount available to pay a judgment.

**Example:** A visitor to the church slipped and fell on the sidewalk out in front of the church and was injured. The visitor might sue the church for a negligent activity, or poor maintenance of the grounds.

#### **16. Who is covered under the General Liability Insurance?**

General Liability provides coverage for your members, clergy, elected or appointed officers and board members, employees, volunteers and most non-profit organizations that are under the direct and active ownership and control of the church.

#### **17. What is our General Liability Limit?**

Each church has a \$2,000,000 limit per occurrence and \$5,000,000 aggregate limit for General Liability claims. The church also has the Conference-shared Umbrella.

#### **18. What is an Umbrella Policy?**

An Umbrella Policy provides an additional layer of liability insurance to protect the church from liability claims that exceed the primary General Liability, Automobile Liability (if coverage is provided through Church Mutual) and Employers Liability limits. The church has a Conference *shared* limit of \$10,000,000 with a \$10,000 self-insured retention. Umbrella liability does not extend over any form of property insurance.

#### **19. What is Excess Liability Insurance?**

The Excess Liability policy provides additional coverage over the Umbrella policy. The Conference shared aggregate limit is \$15,000,000. Excess liability does not extend over any form of property insurance.

#### **20. Our church plans to start a building project. Does Sovereign Insurance Group need to know?**

Yes. The construction or significant renovation of a building requires a particular type of insurance called Builders Risk. This insurance provides property coverage for a building under construction and is separate from the insurance that would be carried by the builder or contractor actually doing the work. The church should notify Sovereign Insurance Group with the date the project will begin, an estimated date of completion, the type of construction being done, and the total cost of the project (additional information may be needed). When the project is done, likewise, Sovereign Insurance Group should be notified to drop the Builders Risk coverage, and to add the completed building to the church's property coverage.

In addition to purchasing Builders Risk to cover your property you must also ensure that the contractor and any subcontractors doing the work have the proper insurance in place and are providing the church with adequate protection under their insurance. Please refer to question number 5 for more information or contact Sovereign Insurance. Depending on the scope of your project you may also need approval from your District's Building and Location Committee, please contact your District Superintendent's office for additional information.

## 21. What coverage is provided for claims arising out of allegations of Sexual Abuse and Molestation?

The policy provides coverage to claims arising out of Sexual Abuse and Molestation. This is a very delicate issue and any incidents should be reported to Sovereign Insurance Group immediately. Please follow the following guidelines when reporting an incident:

- Notice must be given to Sovereign Insurance Group **within 30 days** of *any* circumstance which is likely to result in a claim or suit alleging sexual abuse. If a claim or suit is brought against any insured, you must notify Sovereign immediately. Failure to do so could void your coverage.
- The notice should include, to the extent possible:
  - How, when, and where the occurrence took place.
  - The names and addresses of any injured person and witnesses.
  - The nature, location, and extent of any injury or damage arising out of the occurrence.
- **No one should offer a payment or settlement to the injured person without the consent of the insurance company. Failure to follow this guideline may result in voiding the insurance coverage.**

Coverage is provided as a part of the General Liability Coverage Form. Coverage is offered for defense and indemnification of the corporate entity with limited coverage offered to the alleged perpetrator. The carrier will defend the alleged perpetrator until they are found to be guilty or admit guilt. The carrier will not ever pay a judgment on behalf of the alleged perpetrator.

It is required that thorough background checks be made of all clergy and employees as well as volunteers who regularly supervise youth activities. In addition, each church should have a written Sexual Misconduct Policy which, at a minimum, outlines their position on sexual misconduct, provides details on how to reduce their exposure, and identifies specific steps concerning how to respond in the event of an allegation.

Please note that in the event of a suspected claim involving sexual abuse, it is the church's responsibility to provide **timely reporting**. It is important that the church does **NOT** attempt to settle or resolve the matter without the consent of the insurance company. Failure to properly notify the insurance company will put the church at risk of voiding their coverage.

***Upon Request Sovereign can provide a sample Sexual Misconduct Policy for your review. You can also access additional abuse prevention materials and discounted background and motor vehicle checks on Church Mutual's website at [www.churchmutual.com](http://www.churchmutual.com)***

***Information on Safe Sanctuaries can be found online at [www.gnjumc.org/resource-library/safe-sanctuaries/](http://www.gnjumc.org/resource-library/safe-sanctuaries/)***

## 22. Our church is planning a fair where we will have various activities and rides. Do we need to do anything regarding our insurance?

Yes. A church fair, depending on the size and nature of activities, may be a covered activity under the church's insurance program. However, whenever the church engages outside vendors or contractors, a certificate of insurance must be obtained from each of them, naming the church as an additional insured. In the event of a claim, the vendor's or contractor's own insurance would then respond first, prior to the church's insurance.

### **a. What if we have a moon bounce (inflatables) at a fair/event?**

Coverage is provided for bodily injury, personal injury, or advertising injury if the moon bounce is temporarily leased or rented by the church during a church sponsored event. There is no coverage for a moon bounce if it is owned by the church. The church must obtain a certificate of insurance from the inflatable vendor naming the church as an additional insured.

## 23. Our church is going to a trampoline park for an event. Is this covered?

**No.** The policy specifically excludes all claims arising out of the ownership, maintenance or *use* of any trampoline or similar equipment including but not limited to a springboard or rebounding device of any type. Contact Sovereign Insurance to discuss writing a special events policy to cover this exposure.

**24. Our church has an underground storage tank. Is it covered?**

No. Underground storage tanks are specifically excluded from the church's liability insurance coverage. The policy also does not cover the removal of an oil tank nor does it cover the cleanup or soil remediation if the tank leaks. Limited insurance coverage is available from specialty carriers, with the church's fuel supplier probably being the best source to recommend a local provider. These tank policies provide coverage for contamination remediation for the ground surrounding a leak in an underground tank. However, these policies typically do not provide coverage for fuel leaks that reach bedrock or the water table. If you have difficulty finding coverage for your underground storage tank, please contact Sovereign Insurance for a quotation.

**25. If the Church Youth Group sponsors a trip, what coverage is provided?**

General Liability is provided for claims arising out of bodily injury or property damage to another party while the Group is attending the function. This coverage protects church directors and officers, members, employees and volunteers for their activities while at the church-sponsored event. This coverage is provided for trips and activities within the continental United States.

**26. Our church is planning to do a mission trip that involves construction such as rehabing homes, building repair, Habitat for Humanity, roofing, etc. What coverage do we have?**

The trip is covered for General Liability but due to the frequency of claims when conducting construction work, we strongly recommend the church purchase the supplemental accident/health insurance offered to all GNJ of UMC churches. Contact Sovereign Insurance for additional information.

**27. What Coverage is provided for Church sponsored trips outside of the United States?**

Foreign Liability coverage is excluded under the policy but if a suit against the church is brought inside the United States then the policy may respond. Also Medical Payments and Workers Compensation coverage outside of the United States is excluded.

**Example:** The Church travels to Mexico to participate in a service project. If a church member were injured on that trip and required medical care, the payment of their medical services is excluded under the church's policy.

Please contact Sovereign Insurance if you are interested in purchasing a foreign liability or foreign accident/health insurance through the UMC of GNJ master accident/health policy.

**28. Who is covered for handling church money? Is our treasurer "bonded" for handling money?**

The Employee Dishonesty limit is \$250,000 for losses arising out of dishonest handling of the church money. Coverage is provided for Directors & Officers, employees and volunteers.

**29. Who is protected under the Directors and Officers Liability Policy?**

The policy extends protection to the Church, Church Directors and Officers, Church employees and Church volunteers for allegations arising out of the mismanagement of church activities. The policy includes liability coverage for allegations of employee discrimination, harassment, and wrongful termination. The policy only covers "non-profit" organizations under the direct and active ownership and control of the church. If your church operates any "for-profit" organizations (day cares, thrift stores, etc.) they are not covered under the policy. Please contact Sovereign Insurance to discuss obtaining coverage for these entities.

**30. Who is covered for Workers Compensation Insurance?**

Any paid full or part time church employees. There is no coverage available for volunteers.

**31. What am I entitled to if I am injured on the job as a church employee?**

Payment for medical treatment and loss of wages, subject to the State's benefits levels. If you need to report a on the job injury please contact Church Mutual's Nurse Hotline immediately at 844.322.4662.

**32. What automobile coverage is included in the Master Insurance Program?**

The policy provides \$2,000,000 automobile liability protection for claims arising out of Non-owned Automobile Liability and Hired Automobile Liability. Non-owned Automobile Liability protects the Church for automobile liability arising out of the use of non-owned vehicles (such as a volunteer's vehicle) used in conjunction with a church sponsored activity. No coverage is provided to the owner of the vehicle they must refer to their Personal

Automobile Policy. Hired Automobile Liability protects the Church for automobile liability arising out of the use of rented or hired vehicles used in conjunction with Church sponsored activities.

### **33. Can we obtain Automobile Insurance for Church-owned vehicles under the Master Insurance Program?**

Yes, you can obtain voluntary coverage under the Conference-wide Insurance Program. Church-owned vehicles are eligible for this coverage, contact Sovereign Insurance for a quote.

### **34. Our Church needs to rent a van for a Church sponsored trip. Do we have coverage for this?**

Your policy provides you with \$2,000,000 Liability coverage for Hired Autos. The policy also provides coverage for Hired Car Physical Damage up to \$100,000 with a \$250 physical damage deductible. The vehicle must be rented in the church's name. You also should review the documentation provided by the rental agreement as they are often very restrictive. We still recommend that the church purchase the physical damage coverage offered by the rental company.

### **35. Our Church needs to charter a bus for an upcoming trip/event are we covered for this?**

The primary insurance for an accident related to a chartered bus or vehicle would be the transportation company's policy. When the church charters transportation for a church trip/event the following items must be in place:

- Written contract between the church and transportation company that indicates the transportation company will name the church as an additional insured, indemnify, defend, hold church harmless, and their insurance will be primary and non-contributing. Mutual indemnification or waivers are not acceptable
- Transportation company must provide certificate of insurance showing that the church is named as an "additional insured"
- Transportation company carriers at minimum the following insurance limits:
  - \$1,000,000 combined single limit or higher and \$5,000,000 umbrella/excess liability
  - \$20,000 medical expense or \$250,000 medical expense for bus passenger (NJ only)

### **36. A few of the members of the congregation would like to drive their own vehicles. Would they be covered under our policy?**

The members can certainly drive their own vehicles on the trip. They should understand that in the event of an accident they would be covered under their own personal automobile policies, not the Church's. The church should also collect proof of insurance from the members to ensure they have coverage in force and carry adequate liability limits. The minimum recommended limits are a \$100,000/\$300,000 Bodily Injury split limit or \$300,000 Bodily Injury combined limit and \$100,000 for Property Damage.

### **37. Our Church plans to organize members to carpool to and from church and/or church events? Is that covered?**

The Non-Owned Automobile insurance provides liability protection for claims arising out of non-owned vehicles used in conjunction with a church sponsored activity. **This coverage is only afforded to the church** and provides no liability or physical damage coverage to the members who use their personal vehicles on church business.

Anyone using their personal vehicle on church business should understand that *their personal insurance*, NOT the church's insurance, will respond to any bodily injury, physical damage, or property damage resulting from an accident that occurs.

In an attempt to reduce the risk associated with operating a vehicle for any ministry or operation where members will be using their own personal vehicle the church should obtain the following information:

- Copy of the vehicle owner's personal auto insurance showing their liability limits and that they have coverage in force. The minimum recommended limits are a \$100,000/\$300,000 Bodily Injury split limit or \$300,000 Bodily Injury combined limit and \$100,000 for Property Damage
- Copy of the operator's driver license
- Confirmation that the driver has had no moving violations or accidents in the last three years



- Drivers should be between the ages of 25 and 70.
- All operators/drivers should sign a release of liability agreement with the church

**38. Can we lend our church vehicle to another church or organization?**

**No**, your policy is only written and rated for your church's use of your owned vehicles by your authorized drivers. Lending a vehicle to another organization or group is violation of the policy terms and conditions and could jeopardize your future insurability and/or increased premiums.

**39. Our Church plans to purchase a new building. Does Sovereign Insurance Group need to know?**

Yes, any change, whether an addition or a deletion, should be reported to Sovereign Insurance Group immediately. This will guarantee that the change is insured properly, and the appropriate debit or refund processed.

**40. Our church is thinking about purchasing a defibrillator, is there coverage for this exposure under the insurance program?**

Yes for General Liability. However for coverage to apply users must have participated in a training program prior to operating the machine.

**41. Are we covered under our General Liability if we have volunteers paint our two story church/building?**

The General Liability insurance provides the Church with protection for the claims the Church is legally obligated to pay for bodily injury or property damage to another party arising out of the activities of the church. But because of the substantial increased risk for a catastrophic loss to occur such as serious bodily injury including but not limited to paralysis, loss of limb, loss of life, etc. **we strongly discourage volunteers from painting or doing any type of maintenance work above one story.**

In any instance where any activity such as painting, tree trimming, or roofing, that will be above one story we recommend the Church hire a licensed and insured professional to perform that service, and to obtain proper proof of insurance and written agreements from the contractor.

**42. A tree fell on our property is its removal covered?**

If a tree or limb falls due to wind, hail, ice, sleet, or snow and the tree does not cause damage to any covered property (i.e. church building, church owned shed or fence) then there is no coverage for its removal under the policy. If the tree/limb does damage to covered property then there is coverage for removal of the part of the tree that is on covered property. Contact Sovereign Insurance immediately to report a claim.

**43. A tree is in danger of falling on our property, will the insurance cover its removal?**

As long as the tree was healthy and in good condition no, the insurance will only cover losses that are sudden and accidental. It will not cover regular or preventative maintenance to your property. Also under the policy terms and conditions the church has a responsibility to maintain and secure the property from any known dangers/hazards. Failure to do so could exclude coverage for a loss.

**44. A tree on the church's property fell and hit our neighbors' fence/fell on a member's car while they were parked in the church's parking lot is that covered under the church's insurance?**

No any damage to your neighbor's property or to a member's vehicle is covered under their homeowner's insurance or personal auto insurance. A tree that is in good condition that has fallen is considered an act of God as such the church's insurance is not responsible for any damage.

**45. Our church plans to start a homeless shelter, what do we need to do?**

Using the church as a shelter presents an increased risk of loss. Depending on the number of days the church will be used as a shelter there may be a premium charge to add coverage. The charge only applies to church owned and controlled shelters and third party shelters where no certificate of insurance naming the church as an additional insured is provided. **Please contact Sovereign Insurance immediately if you plan to start a shelter or plan to allow another group to use any church owned properties as a shelter.**

**46. Who should I call if I have a billing question about my insurance?**

**Contact:** Greater NJ Annual Conference of the UMC  
Alexa Taylor, Insurance & Benefits Services Manager  
**telephone** 732.359.1038  
**email** ataylor@gnjumc.org

**47. Who should I call if I have a question about my insurance or need to report a claim?**

**Contact:** Tiffany Lupo, CIC, Senior Account Manager  
**telephone** 610.535.6800 ext 3389  
**fax** 610.535.6810  
**email** TiffanyL@sovinsurance.com

**48. Who should I call if I need proof of property/liability insurance or a certificate of insurance?**

**Contact:** Joetta Mooney, Assistant Account Manager  
**telephone** 610.535.6800 ext 3387  
**fax** 610.535.6810  
**email** JoettaM@sovinsurance.com

**49. Why does our Conference mandate a property and liability insurance program?**

There are two basic reasons. First, according to the Trust Clause, The Book of Discipline, 1996, paragraph 2501, all property is held in trust for The United Methodist Church. The Conference Board of Trustees, in order to ensure that all properties are fully insured, has instituted the Conference Insurance Plan. Secondly a mandated program guarantees that all United Methodist properties held by the Conference and the local churches are adequately covered (full replacement value and with sufficient liability coverage) for the least amount of money.

**50. What changes to church operations must be reported to Sovereign?**

The following outline a few specific events or situations that necessitate communication from the local church in a timely manner. Please contact Sovereign **immediately** when any of the following occurs:

- When you have knowledge of the actual occurrence of a claim
- When buildings become vacant or unoccupied
- When buildings are sold
- When you acquire new buildings
- Planned new building construction, addition, or renovations to existing buildings
- Major acquisitions to contents such as carillon systems, organs, etc.
- Newly formed ministries or child care programs. Or closure of a child care program
- Addition or deletion of vehicles if you participate in the automobile insurance program
- Mission trips both overseas and domestic
- Change in church contact information, mailing address, phone number, e-mail, etc.
- Insurance contact personnel change

**51. What items are NOT COVERED under the insurance policy? THIS IS NOT A COMPLETE LIST OF POLICY EXCLUSIONS, OTHER EXCLUSIONS MAY APPLY.**

- Regular or preventative maintenance to your property
- Some water damage including seepage
- Wear and tear, decay or deterioration, dry or wet rot
- Fungi, mold, mildew, or lead contamination
- Underground Oil/Fuel Storage Tanks
- Pastors' Personal Insurance - including Automobile
- Property not owned by the church
- Church events not under the direct control and supervision of the church
- For-profit organizations/ministries
- Day care or child care groups not under the direct, complete, and active control of the local church

### **Exclusions Continued:**

- Tombstones
- Parish Nurse Liability
- Earthquake
- Foreign Liability and Medical Payments for church events and mission trips outside of the continental United States
- Ownership, maintenance or use of any trampolines or similar equipment including but not limited to springboard or rebounding device of any time
- Moonbounce, inflatable, or jump houses owned by the church
- Accidental Death and Dismemberment
- Health Insurance
- Life Insurance
- Disability Insurance

Churches experiencing difficulty in obtaining coverage for any of the above categories may contact Sovereign for assistance.

### **52. Who is Sovereign Insurance?**

Sovereign is the agent and program administrator. They are your first point of contact for all insurance related questions, except billing. For billing questions please contact Alexa Taylor the Conference Insurance and Benefits Services Manager at 732.359.1038.

### **53. Who is my Insurance Company?**

The insurance company for the Package, Umbrella, Automobile (if applicable), Hired and Non-Owned Auto, Directors & Officers/Employment Practices Liability, and Workers Compensation policies is **Church Mutual Insurance Company**. The insurance company for the Excess Liability policy is **Cincinnati Insurance Company**. In the event of a claim the insurance company will assign an adjuster and make all coverage determinations.

### **54. What is my policy number?**

You can find your policy number on your church's Master Certificate of Insurance or in the Coverage Summary Booklet both documents are sent to the church at every renewal in December.

### **55. Where I can obtain a copy of the...**

- Coverage Summary Booklet: Contact Sovereign Insurance
- FAQ: Contact Sovereign Insurance
- Workers Compensation Audit Form: the customized form was mailed to your church by Church Mutual in December, contact Sovereign Insurance (info@sovinsurance.com) for another copy
- Master Certificate of Insurance: Contact Sovereign Insurance
- List of Covered Locations: Contact Sovereign Insurance
- Values of Church Owned Buildings & Equipment: Included on your Covered Locations Schedule that is mailed to the church each December
- Copy of Insurance Policy: Contact the UMC of GNJ Mission & Resource Center
- Certificate of Insurance: Contact Sovereign Insurance, or complete the "Certificate of Insurance Request Form" included in the Coverage Summary Booklet and return to Sovereign Insurance for processing
- Evidence of Property Insurance: Contact Sovereign Insurance

General requests for any of the above information can be sent to [info@sovinsurance.com](mailto:info@sovinsurance.com).