



Insurance Information for Alumnae Panhellenics

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Complete the [Certificate/Event Review Request form](#) at mjsorority.com OR for questions contact
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Insurance Coverage Resources

For a summary of MJ Insurance coverage, please refer to the “Summary of Insurance Coverages for College and Alumnae Panhellenic Associations” located in the resource library.

Further information and resources can be found in the [MJ Insurance Resource Library](#).



Understanding Your NPC Insurance Coverage

The National Panhellenic Conference has purchased comprehensive insurance coverage for Alumnae Panhellenic Associations to protect NPC and Alumnae Panhellenics from third-party (anyone who is not an insured under the policy) claims alleging bodily injury, property damage or personal injury when acting within the scope of their duties for the organization.

NPC's general liability policy provides coverage for typical events that are held off premises, such as philanthropic events, dances or social events. Virtually all NPC-sponsored activities are covered; however, intentional acts that produce a loss are not covered.

Insurance can be complicated and difficult to understand, so we thought we would share some real life scenarios, slightly altered to reflect an Alumnae Panhellenic, in hopes of helping you see how NPC's coverage works.

When it comes to alumnae events, claims typically occur from events at personal homes.

Alumnae claim examples

1. The Alumnae Panhellenic held a luncheon at the home of a member's family friend. One of the attendee's shoes left a deep gauge in the floor. A general liability claim was submitted for the damages, which were in excess of \$20,000.
2. A guest at a home tour fell on the stairs and injured her leg and hip. The claimant retained legal representation and a claim was made against both the homeowner and the association. The claim settled with a \$20,000 contribution from the overarching organization.
3. An Alumnae Panhellenic held a tour of homes for charity. A visitor fell and sustained a broken leg. A claim was made for medical bills. The homeowner's insurance carrier paid the loss.
4. An Alumnae Panhellenic held a lunch at a member's home. A guest tripped while entering the house and fell, breaking several teeth. A claim was submitted, but denied based on no liability on the Alumnae Panhellenic. However, a claim was also made against the homeowner's insurance policy.

Lessons:

We regularly receive questions from alumnae regarding the use of individual's homes for philanthropic or social events. From a risk management standpoint, we have different opinions based on the type of event being held.

However, regardless of the type of event — whether it is a philanthropic fundraising event, an Alumnae Panhellenic meeting or a social event — it is important to remember that the homeowner is responsible for any bodily injury or property damage that might occur from the actions or inactions of an attendee at the function. The homeowner, by hosting the event in her home, takes responsibility for any injury or damage that occurs during the event. Presumably her homeowner's policy would cover the incident. We highly recommend that event organizers advise the homeowner of this information prior to the event to set the proper expectations in advance.

Obviously, this might convince a volunteer to rescind the use of her home. But this alternative is far better than having her upset when a claim from the event in her home is declined. If the homeowner does not wish to be exposed in this liability, but still would like to hold the event in her home, we encourage the homeowner and the Alumnae Panhellenic to draft a contract in which the organization agrees to add the homeowner as an additional insured to the national liability policy. This type of arrangement must be approved by NPC.

If a function at an individual's home is a significant event with many attendees, such as a fundraiser, it is highly recommended that the Alumnae Panhellenic and the owner of the home execute a contract listing the terms and responsibilities of each party, such as provisions that clarify which party is responsible for any bodily injury or property damage that comes from the event. If you are contemplating this type of event, please contact MJ Insurance as early in the planning process as possible, so that the necessary insurance verbiage and requirements are addressed upfront.

If an exposure is deemed outside of the normal level of risk, the insurance company may require an additional premium or require the purchase of a special events policy. **Catering and alcoholic beverage service at these events is another potential exposure that must be properly addressed. Both the organization and the homeowner need to take appropriate measures to ensure that both the caterer and whoever serves the alcohol has their own insurance coverage in place to cover their actions.**

Like any other gathering that an individual might host, the homeowners' insurance policy would be the first to respond. The NPC policy would respond only if NPC or the local Alumnae Panhellenic were to be named in the lawsuit. For that reason, we recommend that you are sure to make it

clear to any individual hosting an event on behalf of an Alumnae Panhellenic that they could be found liable if something would happen as a result of the event.

Alternatively, it may be safer for members to have a policy to only host events, particularly with alcohol, at venues that are insured for both general liability and liquor liability coverage that would be found to be at least the first layer of defense in the case of an incident.

Simply hosting an event/fundraiser at a venue is an excellent way to mitigate liability. We would strongly suggest that the committee confirm that any venue where they are hosting an event has General Liability and Liquor Liability coverage in the amount of \$1,000,000, either each or combined. General Liability insurance typically excludes Liquor Liability coverage, particularly for enterprises that sell or distribute liquor, so it is imperative that Liquor Liability specifically be listed on the Certificate of Insurance.

Preferably, all events would be cash bar (as required for collegiate events) but at the very least, all alcohol should be served by trained and insured bartenders who are required to stop serving anyone who is visibly intoxicated. It goes without saying that alcohol should only be served to persons over 21 years old. While it is still possible that NPC or the Alumnae Panhellenic would be named in a lawsuit following an event that lead to a serious accident, their liability would be lessened by the reality that they hired a company that maintained the responsibility for most, if not all, aspects of the event.

If you have questions or concerns regarding events, or other risk management related questions, contact Estacia Brandenburg, NPC's client executive at estacia.brandenburg@mjsorority.com.