

Insurance Newsletter

Diocese of Vermont

July 2006

To Parishes and Missions of the Diocese of Vermont:

Your Insurance Committee ("Committee") is initiating a periodic newsletter to provide congregations of the Diocese of Vermont timely information regarding insurance issues. Commencing January 1, 2006, Church Insurance Company of Vermont ("CIC-VT") became the principal insurer of the Diocese and its parishes and missions under a three-year program. Your Committee is working closely with CIC-VT to facilitate communications among all involved with the program. Future issues of this newsletter will be published from time to time as the need arises.

Property Appraisals

In its offer to insure the Diocese and its parishes and missions, CIC-VT proposed to have American Appraisal Company survey and appraise all buildings CIC-VT insures for property risks. The purpose of the appraisal program is to assure that adequate limits of insurance are provided and that premiums are properly apportioned among the Diocese and its parishes and missions. Your Committee appreciates the efforts of all in providing appraisals for use in obtaining insurance for 2006-2008; however, the professional appraisals obtained will help assure consistent determination of values and equitable distribution of premiums.

The appraisals have been completed and reports prepared; the reports, which show changes in valuations for virtually all buildings, some upward and others downward, have been reviewed by the Committee. CIC-VT has proposed premium adjustments for 2007-2008 which are intended to provide a more equitable spread of premiums among congregations. Adjustments of premiums proposed by CIC-VT are being reviewed by the Committee; agreed adjustments will be presented to Diocesan Council for its approval. Required adjustment will be made in two steps, effective January 1, 2007 and 2008. Congregations will be provided copies of the appraisal reports and information regarding premium adjustments before the end of September.

Fine Arts Appraisals

Please note that the appraisals were solely of building structures, and do not address the valuation of attached fine arts such as stained glass windows. It is suggested that you consult a competent stained glass studio concerning their valuation. Stained Glass Association of America, whose website is www.stainedglass.org is one source for qualified stained glass appraisers.

The Insurance Newsletter of the Diocese of Vermont is intended solely to provide general information of interest to its parishes and missions, and must not be relied upon with respect to insurance policy terms and conditions. Questions with respect to coverage terms and conditions should be referred to your insurance carrier or a licensed insurance broker.

Certificates of Insurance

You may be asked from time to time to provide evidence of insurance, such as when you rent a picnic or sports facility. CIC-VT is prepared to issue Certificates of Insurance promptly after receipt of written requests. Please use their "Certificate of Insurance Request Form" which can be found on the Diocesan Website under "Resources - Insurance". Please use e-mail or facsimile transmittal to send completed request forms to CIC-VT; they ask that you **do not** make telephonic requests for certificates.

Hold Harmless Agreements

It is good practice to ask users of your facilities to sign an "Agreement to Indemnify", which is intended to hold the diocese, the parish or mission, and their clergy, personnel and governing body harmless from claim, demand or suit resulting in any fashion from their use of your facilities. The recommended form of Agreement to Indemnify may be found on the Diocesan Website under "Resources – Insurance".

Non-owned Automobile Coverage

Please be advised that your liability insurance is not intended to provide coverage for vehicles owned or rented by volunteers. The coverage provided under your liability insurance policy, which should be consulted as to its terms and conditions, is limited to employees, and is an alternative to purchasing waivers under car rental agency contracts.

Sports Event Coverage Exclusion

Please be advised that your liability insurance policy excludes coverage for injury incurred in connection with practicing for or participating in any sports or athletic contest or exhibition that you sponsor. We understand that the exclusion is not intended to limit coverage for informal sports activities. If in doubt, please consult CIC-VT.

Steam Boiler Inspections

If you have a steam boiler pressure vessel which requires periodic inspection under state law, Hartford Steam Boiler Inspection and Insurance Company ("HSB") will conduct the necessary inspection and issue the appropriate reports. CIC-VT believes they have advised HSB of the relevant inspections. If you have any questions in this regard, please consult CIC-VT.

Contact Lists

CIC-VT has provided a list of useful contacts for our congregations which is available on the Diocesan Website, under "Resources-Insurance", along with a list of the members of your Insurance Committee.

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