

**HOLMES MURPHY FRATERNAL PRACTICE
INSURANCE AND CLAIM MANUAL
PREPARED FOR
KAPPA KAPPA PSI/ TAU BETA SIGMA**



**EFFECTIVE FOR THE ANNUAL TERM:
2021-2022**

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Section 1

INTRODUCTION

This manual is a work product of Holmes Murphy & Associates. Its purpose is to give you an understanding of the insurance coverage provided under the Fraternity's insurance program. The information concerning insurance coverages found within this manual is a summary of coverages provided through your national organization. It is provided for informational purposes only and does not replace or supersede the actual insurance contract. For any specific questions regarding coverages, you should refer to the applicable insurance policy or contact your Client Service Consultant.

This manual also includes information to help you properly report all actual and potential insurance claims and assist you in locating other useful resources that you may find beneficial in your chapter or alumni organization's efforts to minimize your exposure to risk. Responsibility for the success in risk management rests with your chapter and members. It is always important to remember a successful risk management program is built on three pillars:

1. Loss Prevention
2. Loss Control
3. Risk Transfer (Insurance)

The undergraduate and alumni members' willingness to understand and assume the responsibility of sound risk management practices is a cornerstone of your Fraternity's risk management program.

Holmes Murphy strives to provide risk management resources to complement the loss prevention and loss control efforts of our clients. Please visit www.holmesmurphyfraternal.com to review the Holmes Murphy website. You will find many risk management resources that can assist you in your daily operations such as information on your insurance protection, how to apply for additional lines of coverage, claim reporting, and how to request an Additional Insured Certificate.

Section 2

INSURANCE PROGRAM OVERVIEW

General Liability

The following description is a summary only and is not intended to serve as a substitute for the actual insurance contract.

Kappa Kappa Psi Fraternity & Tau Beta Sigma Sorority insurance program provides Commercial General Liability Coverage with the following carrier, policy period, and limits of coverage.

Primary Insurer: Admiral Insurance Company
Policy Period: September 1, 2021 to September 1, 2022

Limits of Coverage

Insured Entity	Insurer	Bodily Injury & Property Damage Per Occurrence Limit	Policy Aggregate	Policy Aggregate Applies Per Location?
Undergraduate Chapters and Alumni Chapters	Admiral Insurance	\$100,000	\$200,000	Yes

Note: The expense associated with the cost of the investigation and any necessary legal fees is included and not in addition to the limits shown above. Admiral's duty to defend will continue even upon exhaustion of the limit of liability.

The General Liability policy provides coverage for claims brought by a third party alleging an Insured's negligence resulted in damages associated with bodily injury, property damage, or personal injury. This policy protects the local undergraduate chapter, house corporations, alumni associations, chapter related educational foundations, and each of their officers, directors, employees, members, and volunteers from these types of claims subject to the policy's limitations and exclusions.

Kappa Kappa Psi/ Tau Beta Sigma Coverage includes:

1. COMMERCIAL GENERAL LIABILITY

Covers liability arising out of Fraternity premises and operations.

2. HIRED & NON-OWNED AUTOMOBILE LIABILITY COVERAGE

Applies to the situation when a chapter member, chapter employee or volunteer alumni driving their own car on fraternity business is involved in an accident. Its intent is to only cover entities of Kappa Kappa Psi/ Tau Beta Sigma and individuals not involved in the accident. The intent is not to provide auto liability coverage to those who are not prudent enough to purchase their own auto liability policy or ensure the vehicle they are operating has ample coverage to protect their interest. The auto insurance of the driver and/or auto owner will be the primary insurance coverage.

3. PRODUCTS/COMPLETED OPERATIONS LIABILITY

Covers preparation and consumption of food and beverages.

4. PERSONAL INJURY & ADVERTISING INJURY

Covers libel, slander, defamation of character, false arrest, detention, malicious prosecution, wrongful entry or eviction, invasion of privacy.

5. CONTRACTUAL LIABILITY COVERAGE

Under certain circumstances, the liability coverage of Kappa Kappa Psi/ Tau Beta Sigma insurance contract is extended to protect other parties with whom a Kappa Kappa Psi/ Tau Beta Sigma chapter may enter into a contractual agreement. No contract should be signed by any entity/chapter of Kappa Kappa Psi/ Tau Beta Sigma, without complete understanding of liabilities being assumed and insurance coverage, if any, that is provided.

6. WATERCRAFT LIABILITY

Covers hired and non-owned boats/watercraft providing it is less than 52 feet in length.

7. INCIDENTAL EMERGENCY MEDICAL CARE

Covers liability that arises against an insured chapter or an individual who provides emergency medical care for injuries on or off our premises.

8. DAMAGE TO PREMISES YOU RENT

Provides coverage for damages caused by an Insured's negligence to a premise rented by an Insured for a period of 7 days or less or if a lease is greater than 7 days, coverage is limited to the perils of smoke and fire.

9. WORLDWIDE COVERAGE

Coverage worldwide for suits brought in the United States.

Who is an insured?

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 safety¹ of Kappa Kappa Psi/ Tau Beta Sigma:

¹ Note: Health and safety as noted above per the policy shall mean any written rules, regulations, policies, guidelines, manuals, memoranda, or other instructions regarding code of conduct or health and safety, as established by the Named Insured and in effect at the time of the alleged occurrence. In the event the insured is a fraternity chapter or colony, health and safety policies include all rules, regulations and policies imposed on such fraternity chapter or colony by its Host College or University. In the event that any individual rule, regulation, guideline, or instruction in the Named Insureds Health and Safety Policies conflicts with an individual rule, regulation, guidelines, or instruction of the host college or university, then that particular rule, regulation, guideline or instruction issued by the Named Insured shall control.

- a. The local undergraduate chapter that is chartered and recognized by the Fraternity **when it complies with the laws** of the host institution, city, county, state, and country in which it operates and the policies of Kappa Kappa Psi/ Tau Beta Sigma. 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 Kappa Kappa Psi/ Tau Beta Sigma policies.
- b. House Corporations, Householding Corporations, Chapter Education Foundations, House Associations, Alumni Control Boards, Alumni Advisory Boards, Alumni Associations, Alumni Corporations, Alumni 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 Kappa Kappa Psi/ Tau Beta Sigma policies.
- c. Officers, Directors, Trustees, Partners, Coordinators, Custodians, Committee Members, Council Members, Volunteers, Housemothers, Resident Advisors, Faculty Advisors, Fraternity 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 Kappa Kappa Psi/ Tau Beta Sigma policies.

Who is *not* an insured?

- A. Any individual member, alumnus, trustee, or advisor who is performing tasks outside of his responsibility or not in compliance with Kappa Kappa Psi/ Tau Beta Sigma policies (i.e. spontaneous social function planned by an individual member, chapter advisor consuming alcohol with undergraduates, hazing of members, etc.)
- B. Any member who's illegal or intentional actions result in death or injury to an individual or property damage.
- C. 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. "Participate" means to take part in an excluded activity, whether as a direct perpetrator of the excluded activity or as an observer of such activity. "Participate" also means to have knowledge of the excluded activity and fail to aid or respond to the care of anyone injured as a result of the excluded activity.
- D. Members' parents or family members and guests of chapter members.
- E. College/University administration (see Adding Additional Insureds below).

What Does Our Coverage *Not* Include?

- A. Any claim of bodily injury and/or property damage from an incident resulting when:
 1. An illegal act was committed.
 2. An intentional act was committed
 3. A contract made by the chapter is broken.
 4. There is any discharge, release or escape of smoke, vapors, soot, fume, acids, toxic chemicals, etc. upon land, the atmosphere or any water course or body of water.
 5. An employee is hurt on the job. Workers' Compensation coverage must be purchased.
 6. Any act excluded from coverage by the insurance policy.

- B. Any claim of property damage to property owned by, rented by, used by, or cared for by an Insured. For example, the chapter rents a portable generator for an outdoor function, and while it is in the care, custody, and control of the chapter, it is damaged, and the lessor holds the chapter responsible and liable. No coverage is available under the Kappa Kappa Psi/ Tau Beta Sigma liability insurance policies. The only exception would be a premise rented for 7 or less days in which the Damage to Premises You Rent limit would apply.

Adding Additional Insureds

An Additional Insured may be added to this policy. A party requesting to be added as an Additional Insured may be your landlord, college, university, and/or proprietor from whom the chapter may be renting a venue for an event.

Please submit the Additional Insured Request Form, found in the Appendix, at least (30) thirty days prior to the date it is needed to:

Kappa Kappa Psi/ Tau Beta Sigma Executive Office, Attn: Steve Nelson, Executive Director, P.O. Box 849 Stillwater, OK 74076. Please email your request to nelson@kkybs.org.

Upon review and approval of the Additional Insured request by Kappa Kappa Psi/ Tau Beta Sigma, a certificate of insurance will be issued by Holmes Murphy. The original forwarded to the Additional Insured and a copy to the National Headquarters.

Directors & Officers/Employment Practices

The National Insurance Program of Kappa Kappa Psi/ Tau Beta Sigma offers Directors & Officers/Employment Practices Liability (D&O/EPL) Coverage to all Undergraduate Chapters, House Corporations, Alumni Associations, and Chapter Educational Foundations. D&O/EPL coverage protects all directors, officers, volunteers and the entity for claims arising out of the failure or negligence of an Officer or Director in fulfilling their fiduciary duties of diligence, obedience and loyalty to the organization. Claims covered under a Directors and Officers Liability policy typically involve claims brought against an Officer or Director that allege financial injury to the organization due to their maleficence in their service to the organization. It does not protect Officers and Directors from claims involving bodily injury, property damage or personal injury. Those types of claims are covered under the General Liability policy.

In addition, the Directors and Officers Liability Coverage provides Employment Practices Liability Coverage that protects the Undergraduate Chapter, House Corporations, Alumni Associations, and Chapter Educational Foundations from employment related claims. This would include issues of Discrimination, Harassment, or Wrongful Termination arising in an employer/employee relationship.

Overview of the coverage is as follows;

Insurance Carrier:	RSUI Indemnity Company
Policy Term:	September 1, 2021 – September 1, 2024
Limit of Coverage:	\$1,000,000 per Claim/Aggregate
Retention/Deductible:	\$5,000 Affiliates \$20,000 Individual D&O Each Claim

Only one Retention/Deductible will only apply for a claim involving the Fraternity and any Undergraduate Chapter, House Corporation, Alumni Association, or Chapter Educational Foundation.

Please make certain to report any potential claim immediately as the D&O policy is a claims-made policy. Also, according to the provisions of the Directors & Officers Liability policy, defense cost incurred by the insured or settlements made without the prior written consent of the Insurer will NOT be covered under the policy.

OPTIONAL INSURANCE COVERAGE

Chapter House Property Insurance Program

If a local House Corporation of Kappa Kappa Psi/ Tau Beta Sigma owns a physical plant or building, there is no coverage for damage to the building under the general liability policy for Kappa Kappa Psi/ Tau Beta Sigma. The Fraternal Property Management Association Insurance Program is voluntary and open for participation of any House Corporation of Kappa Kappa Psi/ Tau Beta Sigma. If your chapter wishes to be provided a proposal for the property insurance program, please contact us by email at fraternalinsuranceapp@holmesmurphy.com or download an application from our website [here](#).

The property program provides all risk coverage for the building, contents, business income (loss of rents), extra expense, and boiler and machinery for property owned or leased by the local housing corporation. It must be understood, that this coverage does not insure the belongings of the individual members of the chapter. Each chapter member must ensure that their personal property is covered either under their parents' Homeowner's policy or secure a Renter's policy.

Workers Compensation Coverage

The Insurance Program of Kappa Kappa Psi/ Tau Beta Sigma does not provide Workers Compensation Coverage for Chapter or House Corporation employees. It is the duty of each Chapter or House Corporation to make certain they are familiar with their State laws regarding the requirements to carry Workers Compensation Coverage for employees.

There are a few insurance carriers that will write small workers compensation risks on a monoline basis. In addition, each state has a State Assigned Risk Pool that will write Workers Compensation coverage for an employer in their state if they cannot find coverage on the open market. If your operations are in what is referred to as a monopolistic state (North Dakota, Ohio, Washington, and Wyoming), your only option will be to purchase insurance through your state's plan.

If you need assistance in procuring Workers Compensation insurance contact your Client Service Consultant with Holmes Murphy or a local insurance agent to obtain coverage. It is important to note that in addition to payrolls paid to a chapter cook and housemother, subsidized housing provided to chapter members in exchange for service in a position (i.e. house manager, kitchen steward, chapter officer) is also considered payroll and if injured, the individual likely has the right to recover damages under the Workers Compensation laws of your State.

All questions can be directed to:

Holmes Murphy
Trude Smouse, Client Service Consultant
Phone: 800.736.4327 Ext.4163
Fax: 800.328.0522
Email: tsmouse@holmesmurphy.com

Section 3

INCIDENT CLAIM REPORTING

General Liability claims can be numerous and usually arise out of activities of a chapter which cause bodily injury, property damage or personal injury to an individual. They will more than likely involve property damage or injury to someone other than an employee or an officer of the Organization.

While on the scene, if possible, get names, addresses and phone numbers of all parties involved, as well as any witnesses to the accident. Immediately complete the attached incident reporting form and submit.

What should be reported?

Report bodily injury of anyone other than an employee and any property damage for which there is the possibility a claim may be made against Kappa Kappa Psi/ Tau Beta Sigma. If you question whether to report a potential claim, ***report it!***

It is imperative all losses or incidents be reported immediately to Kappa Kappa Psi/Tau Beta Sigma (see phone numbers and addresses below). The National Executive Director of Kappa Kappa Psi/Tau Beta Sigma is responsible for providing the initial report of the claim to Holmes Murphy (see phone numbers and addresses below). Once the claim report is sent to Holmes Murphy you will likely be contacted directly by them or an insurance company representative to discuss the incident. If you are unable to obtain all necessary details when first notified of any incident, still report any known facts.

Kappa Kappa Psi/ Tau Beta Sigma
Steve Nelson, Executive Director
PO Box 849
Stillwater, OK 74076
Phone: 405.372.2333
Email: nelson@kkytbs.org

Holmes Murphy
ATTN: MK Mashek
13810 FNB Parkway, Suite 300
Omaha, NE 68154
Phone: 800.736.4327 ext. 5500
Fax: 800.328.0522
Email: mmashek@holmesmurphy.com

There will be occasions when lawsuits may be served on a member of your chapter. As there is only a limited time to answer a lawsuit, the following procedure applies:

- a. Treat any potential or actual claim or lawsuit as a high priority item and immediately notify National Headquarters by phone.
- b. Utilizing the enclosed incident reporting form, note all relevant information.
- c. Forward the suit or incident report via fax or email to Steve Nelson, Executive Director, at nelson@kkytbs.org or 405.372.2333. If you do not have access to email, overnight the papers to Kappa Kappa Psi/ Tau Beta Sigma, PO Box 849 Stillwater, OK 74076. It is very important the claim or lawsuit be sent immediately.

All questions regarding insurance interpretation and coverage should be directed to:

Holmes Murphy
13810 FNB Parkway, Suite 300
Omaha, NE 68154
Trude Smouse, Senior Client Service Consultant
Phone: 800.736.4327 Ext.4163
Fax: 800.328.0522
Email: tsmouse@holmesmurphy.com

INCIDENT / CLAIM REPORTING FORM

When an incident occurs causing bodily injury or property damage to any person, the following information must be obtained immediately. This report is being prepared for submission to the Organization's General Counsel, so please be thorough. Do not withhold reporting an incident to obtain all required information. Because timeliness is of the essence, report it immediately and send a copy within **24 hours** to the National Headquarters. If the bodily injury is of a serious nature, a **telephone call** should also be made.

CHAPTER CONTACTS

Chapter Name _____	Phone No _____
Address _____	
President _____	Phone No _____
Advisor _____	Phone No _____
Advisor Address _____	

INCIDENT

Date of Incident _____	Time _____
Location _____	
Description of Incident _____	

INJURED PARTY

Name _____	
Address _____	
Injury Description _____	
Where was injured party taken? _____	
How were they transported? _____	

WITNESSES

Name _____	Phone No _____
Name _____	Phone No _____

POLICE / EMERGENCY PERSONNEL

Name of Agency _____	Case No _____
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Completed by _____	Title _____
Phone No _____	Email _____

Section 4

HOLMES MURPHY RESOURCES

Event planning is critical; here are some tools available on our website to help you plan events:
HOLMESMURPHYFRATERNAL.COM

[Downloadable Resources for Sororities and Fraternities](#)

[Event Planning Guide](#) and App (**Download HM Event Planner from the App Store**)

[Contract Template for Third Party Vendors](#)

[BYOB Checklist](#)

[Security Vendor Checklist](#)

[Building a Guest List](#)

[Sober Monitor Resource](#)

[Designated Driver Guidelines](#)

[Crisis Management Plan](#)

[Definitions for Insurance & Claim Manual](#)

We can also assist you in reviewing contracts.

Our review and analysis of your contract is provided to assist you in complying with the contract's Insurance Requirement Provisions and should not be read to infer or guarantee coverage for a loss. Any descriptions of the insurance coverage pursuant to our analysis of the Insurance Requirements and Provisions of the provided contract are subject to the terms, conditions, exclusions, and other provisions of the policies as provided by the carrier and any applicable insurance regulations, rules, and plans. Our review should not be inferred to be, nor does it constitute legal advice or a legal opinion concerning any portion of the contract, including the Insurance Requirement Provisions listed above. We have not undertaken to identify all potential liabilities that may arise under the contract and, therefore do not guarantee the indemnification of all potential liabilities that may be assumed under the contract. Our review is provided for your information only and should not be relied upon by any third party for any purpose, including, but not limited to, as any comprehensive representation of your insurance exposures or coverage.

CONTRACT REVIEW: fraternitycontracts@holmesmurphy.com

Holmes Murphy offers this educational information to provoke thought and discussion and it should not be viewed as a mandate or requirement. We view part of our role as an insurance and risk management professional to anticipate your needs and educate you in an effort to complement the organization's loss prevention and control efforts, not replace the decision-making autonomy of our client organizations. We hope you find this educational piece to be of value and stand ready to discuss it further with you or any of your constituents.