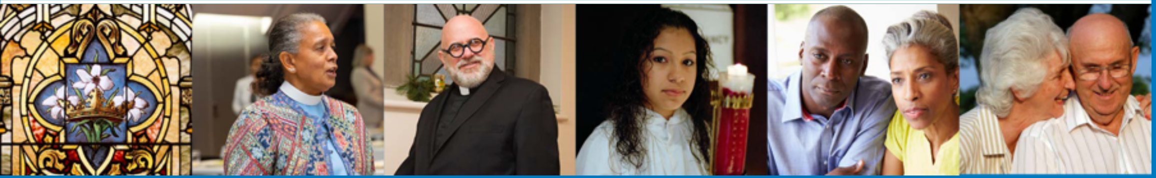
Church Insurance Presentation – Property Valuations, Cyber Liability and Malicious Attack Coverage



CHURCH PUBLISHING INCORPORATED

Jeff Lyngaas
Vice President Client Services

February 18th, 2023

Congregational Leadership Conference

Bowling Green, KY

Church Insurance Companies Mission

Unchanged since 1929

To provide broad property & casualty coverage in a financially sustainable way over the long-term

Church Insurance Companies

Overview

- Create and administer Diocesan property and casualty insurance programs
- Provide broad insurance coverage tailored to meet the specific needs of the church
- Utilize highly rated Reinsurance carriers
- Provide risk management services to TEC clients

Review and update insurance limits to ensure coverage adequacy

Church Insurance Companies Goals

1

Reduce property and casualty risks (and losses) for TEC insureds

2

Achieve only the necessary rate/ return to keep our business healthy

- Effectively manage operating costs

3

Be a consistent and dependable partner for our church clients

4

Provide the highest levels of client service and advocacy

Renewal Review Process Overview

Dedicated team focuses on:

- Review of liability exposures
- Review of property exposures
- Updates to insured property limits
- Identification of risk management opportunities
- Policy housekeeping

Renewal Review Process Components

Review	Complete	Appraise	Validate	Update	Calculate	Submit
Review Policy Declarations	Complete Renewal Review Questionnaire	Validate Appraisals and Plats	Validate each building via Google Earth	Update Property Plat in RapidSketch	Calculate Updated Replacement Cost	Submit Updated Valuations to Underwriting

Review Policy Declarations

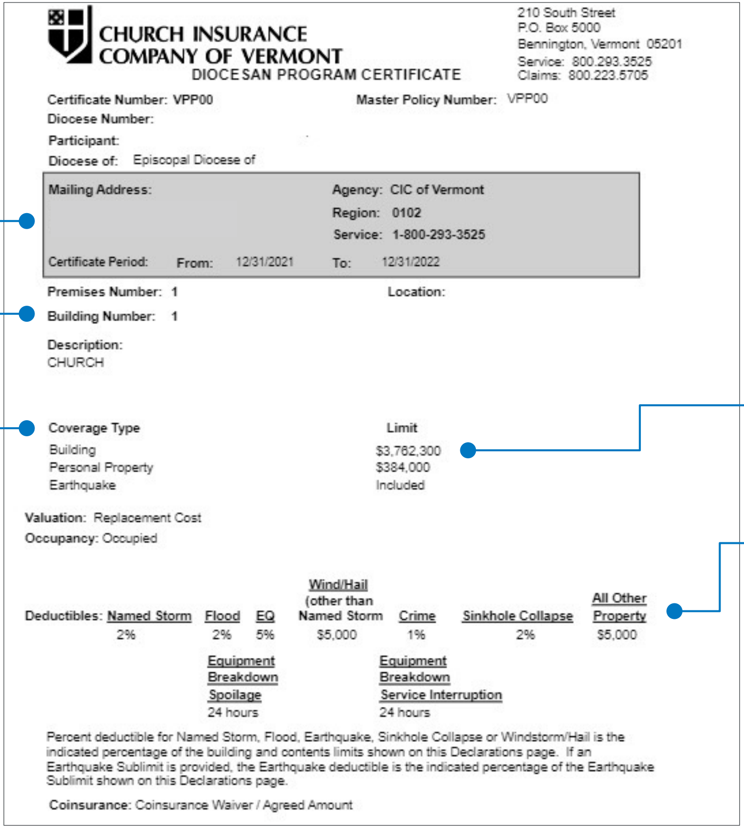
Locations

Buildings

Coverages

Limits

Deductibles



CHURCH INSURANCE
COMPANY OF VERMONT
DIOCESAN PROGRAM CERTIFICATE

210 South Street
P.O. Box 5000
Bennington, Vermont 05201
Service: 800.293.3525
Claims: 800.223.5705

Certificate Number: VPP00 **Master Policy Number:** VPP00
Diocese Number:
Participant:
Diocese of: Episcopal Diocese of

Mailing Address:
Agency: CIC of Vermont
Region: 0102
Service: 1-800-293-3525

Certificate Period: **From:** 12/31/2021 **To:** 12/31/2022

Premises Number: 1 **Location:**
Building Number: 1

Description:
CHURCH

Coverage Type	Limit
Building	$3,762,300
Personal Property	$384,000
Earthquake	Included

Valuation: Replacement Cost
Occupancy: Occupied

Deductibles:	Named Storm	Flood	EQ	Wind/Hail (other than Named Storm	Crime	Sinkhole Collapse	All Other Property
	2%	2%	5%	$5,000	1%	2%	$5,000

Equipment Breakdown Spoilage	Equipment Breakdown Service Interruption
24 hours	24 hours

Percent deductible for Named Storm, Flood, Earthquake, Sinkhole Collapse or Windstorm/Hail is the indicated percentage of the building and contents limits shown on this Declarations page. If an Earthquake Sublimit is provided, the Earthquake deductible is the indicated percentage of the Earthquake Sublimit shown on this Declarations page.

Coinsurance: Coinsurance Waiver / Agreed Amount

Important Component that Protects Us All

CIC BL END Ed 1.0
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This endorsement changes
the Coverage
-- PLEASE READ THIS CAREFULLY --

BLANK ENDORSEMENT

(The entries required to complete this endorsement
will be shown below or on the "declarations".)

MARGIN CLAUSE

Maximum Loss 115% of property value

With respect to covered property that is subject to the Blanket Building and Contents limit of insurance shown on the Declarations, we will determine a maximum loss payable for each building and for the contents of each building or the contents at each described premises. The maximum loss payable is determined by applying the Margin Clause percentage of 115% to the stated value of each individual property at each described premises as shown in the Declarations or the latest statement of values reported to us. Actual loss payment will be determined based on the amount of loss or damage subject to all applicable policy provisions including Limits of Insurance, Conditions, Coinsurance, Deductible and Valuation Conditions but in no event will the actual loss payment for each building, or for the contents at each premises exceed the maximum loss payable as described above. The Margin Clause does not increase the Blanket limit of Insurance shown on the Declarations.

Source: This information was taken directly from Church Insurance policy.

Complete The Renewal Review Questionnaire

RENEWAL REVIEW QUESTIONNAIRE

Insured Information:

Diocese:
Package Policy Number:
Renewal Date:

Change in Mailing Address: Yes ( )

If yes:

What is your Average Sunday Attendance (ASA)? ______________

Church's Legal Name (if different than above)

PDF Church Email Address — Website Address

Primary Client Contact:

Name — Position — Telephone #

Change in Contact Information: Yes ( )

New Primary Contact: (complete if "yes" is checked above)

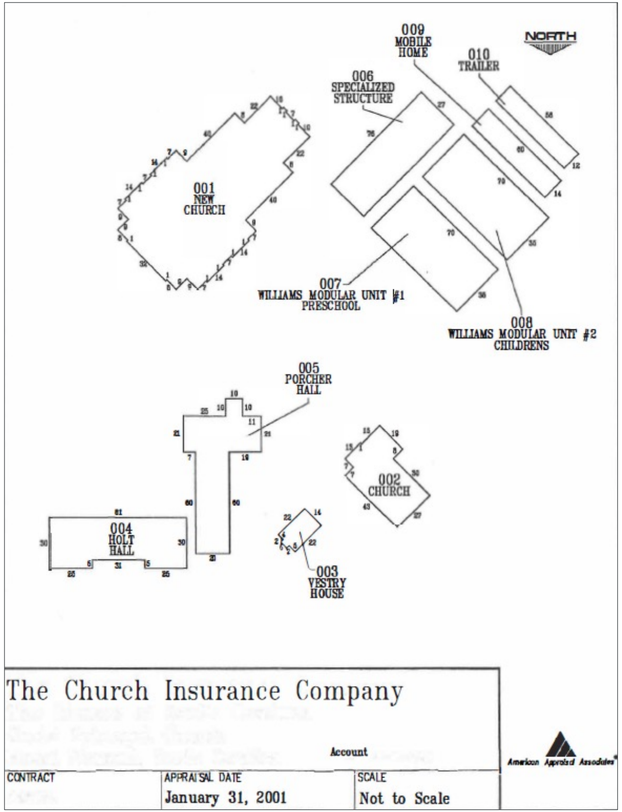
Review Conducted With: ______________
Interviewee's Name, Title (If different than primary contact)

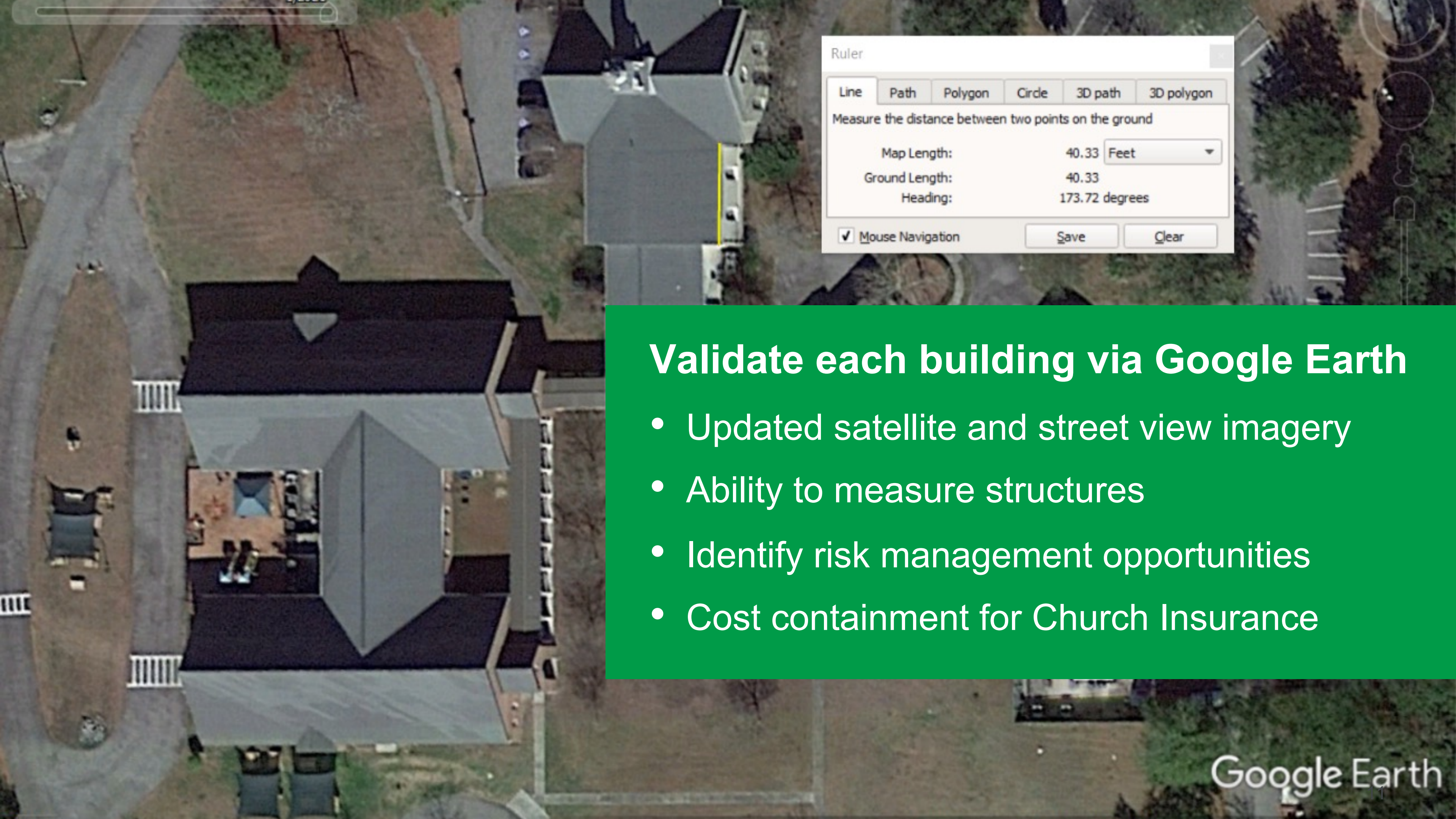
Review Completed By: ______________
MRMS Name

- Contacts
- Social Media
- General Liability (additional interests/ loss payees)
- Identify additional coverage needs
- Identify risk management opportunities

Validate Appraisals and Plats

- Duff & Phelps
  (formerly American Appraisal)
- CBIZ
- Sacred Builders



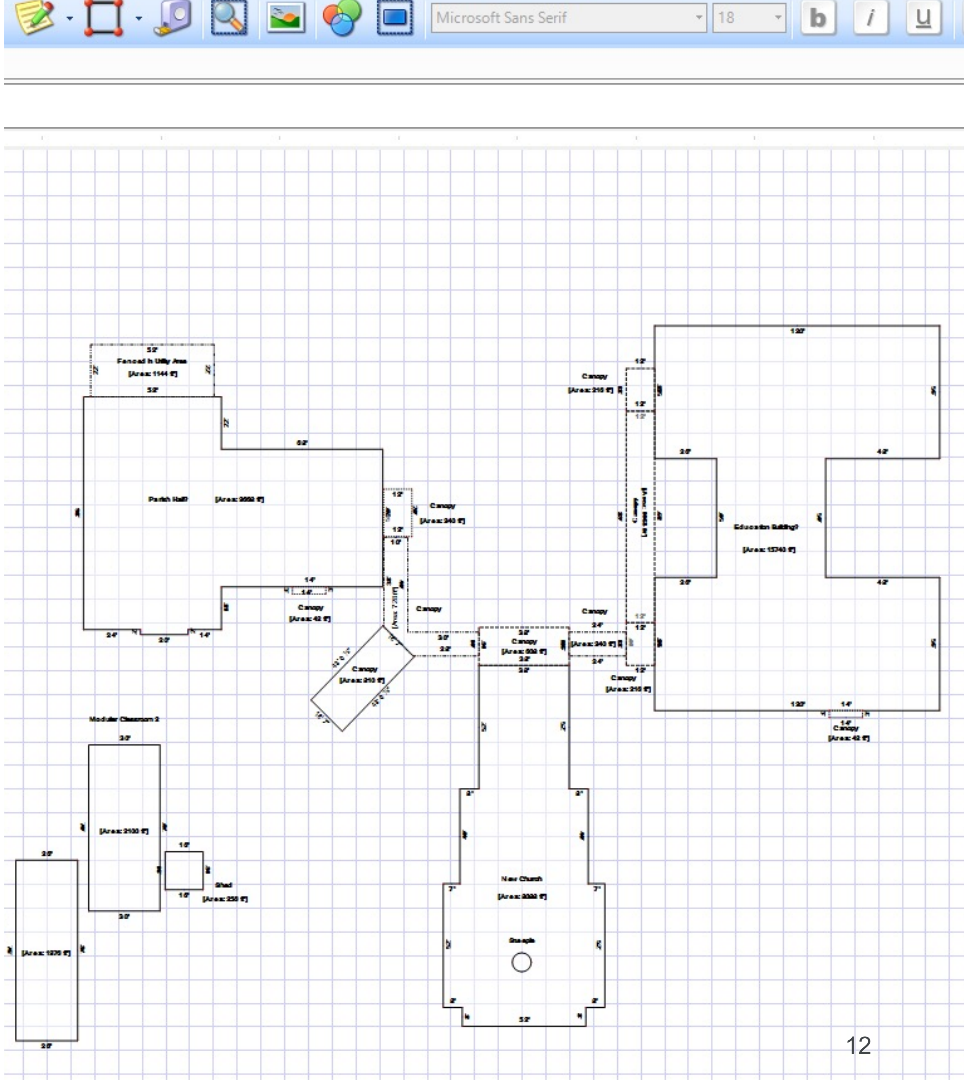


Validate each building via Google Earth

- Updated satellite and street view imagery
- Ability to measure structures
- Identify risk management opportunities
- Cost containment for Church Insurance

Update Property Plat in RapidSketch

- Ability to update plats as needed
- Ability to calculate square footage



Calculate Updated Replacement Cost

- Marshall & Swift / Core Logic
- Provide specialized and up to date replacement cost estimates
- Includes pipe organs and stained glass

CoreLogic

Valuation Detailed Report

Property Express

SUMMARY REPORT

Policy Number: 6/2/2022

VALUATION

Valuation Number:	Church	Effective Date:	09/14/2017
Value Basis:	Reconstruction	Expiration Date:	09/14/2023
		Cost as of:	12/2021

BUSINESS

CHURCH

CITY, STATE, ZIP CODE USA

LOCATION 00001 - Episcopal Church

CHURCH

CITY, STATE, ZIP CODE USA

			Reconstruction	Sq.Ft.	$/Sq.Ft.	
BUILDING 00001: SUPERSTRUCTURE			**Reconstruction**	**Sq.Ft.**	**$/Sq.Ft.**	
Church	100%	Church, Contemporary, High	$1,781,295	8,088	$220	
Canopy	100%	Canopy	$41,403	608	$68	
Section Totals			**Reconstruction**	**Sq.Ft.**	**$/Sq.Ft.**	
Church	100%	Church, Contemporary, High	$1,781,295	8,088	$220	
Total Additions:			$1,266,500			
Canopy	100%	Canopy	$41,403	608	$68	
BUILDING TOTAL, Building 00001			**$3,089,197**	**8,696**	**$355**	
BUILDING INSURANCE SUMMARY						
Total Insured Amount			$0			
Percent of Insurance to Value			0%			
100% Co-insurance Requirement			$3,089,197			$3,089,197
-100% Variance			($3,089,197)			
BUILDING 00002: SUPERSTRUCTURE			**Reconstruction**	**Sq.Ft.**	**$/Sq.Ft.**	
Church	100%	Church, Traditional	$433,442	1,446	$300	
BUILDING 00002: SUBSTRUCTURE			**Reconstruction**	**Sq.Ft.**	**$/Sq.Ft.**	
Church	1,446 sq.ft.	Crawl Space	$18,263			
Section Totals			**Reconstruction**	**Sq.Ft.**	**$/Sq.Ft.**	

CoreLogic costs include labor and material, normal profit and overhead as of date of report. Costs represent general estimates which are not to be considered a detailed quantity survey. These costs include generalities and assumptions that are common to the types of structures represented in the software.

The commercial contents values CoreLogic publishes in this report are estimates only and should not be considered the actual value of commercial contents insurance coverage that should be underwritten for the insured.

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Submit Updated Valuations to Underwriting

description	state	TIV	2021 MSB	$ Variance	% Variance	Notes
CHURCH/OFFICES/FELLOWSHIP	MI	$2,657,200	$3,074,700	-$417,500	-15.71%	
CHURCH STORAGE (CONTENTS	MI	$113,800	$0	$113,800	100.00%	remove contents and added 2 story shed to policy. $48,000. Contents $4,000.
CHURCH/CHAPEL/OFFICES/PAR	MI	$606,000	$606,000	$0	0.00%	contents only
FOOD PANTRY/LEASED OFFICE	MI	$545,000	$488,400	$56,600	10.39%	unfinished basement
RECTORY	MI	$305,600	$307,000	-$1,400	-0.46%	unfinished basement
GARAGE	MI	$41,400	$43,900	-$2,500	-6.04%	
CHURCH/FELLOWSHIP/OFFICES	MI	$3,571,800	$3,798,500	-$226,700	-6.35%	Church closed 2/2022. Moved to dio policy.
CHURCH	MI	$4,600,200	$4,722,900	-$122,700	-2.67%	elevator added.
RECTORY (22 CHURCH ST)	MI	$625,300	$659,800	-$34,500	-5.52%	240 sqft garage detacted included in value $11,000.

90 days prior to renewal

Underwriting and Regional VP’s

Cyber Liability Coverage – Houston Casualty

Cyber Liability Coverage

Provides first & third-party insurance for covered cyber losses

- First-party coverage covers:
  - Losses to policyholder's own data
  - Lost income
  - Harm to the policyholder's institution
- Third-party coverage covers:
  - Liability of the policyholder to third parties arising from a data breach or cyber-attack

Cyber Liability Coverage

First Party - Non-Liability Highlights and Limits

First Party - Non-Liability Coverage	Limit	Deductible
BrandGuard®	$250,000	2-week waiting period
Breach Event Costs	$250,000	$5,000 each claim
Cyber Crime	$25,000	$5,000 each claim

Cyber Liability Coverage

First Party - Non-Liability Highlights and Limits

First Party - Non-Liability Coverage	Limit	Deductible
Cyber Extortion	$250,000	$5,000 each claim
Dependent System Failure	$250,000	$5,000 each claim
Post Breach Remediation Costs	$25,000	$5,000 each claim
System Failure	$250,000	$5,000 each claim

An additional $750,000 Excess Cyber Liability limit is available for an additional charge.

Cyber Liability Coverage

Third Party - Liability Highlights and Limits

Third Party - Liability Coverage	Limit	Deductible
Multimedia Liability	$250,000	$5,000 each claim
Privacy Regulatory Defense & Penalties	$250,000	$5,000 each claim
Security and Privacy Liability	$250,000	$5,000 each claim
TCPA Defense	$50,000	$5,000 each claim

Malicious Attack Coverage

Lloyds of London / Ambant

Malicious Attack Coverage

For an event that occurs during the policy period, and…

- Involves the use of a vehicle, explosive device, or any hand-held weapon
- Is intended to harm another person or group of persons
- Is carried out or attempted by any person or group of persons acting alone or on behalf of or in connection with any organization
- Results in bodily injury of any person, or physical loss of or damage to or destruction of, tangible property

Malicious Attack Coverage

Coverage Highlights

- National Program automatically included in the package policy

  - $10,000,000 per occurrence / $10,000,000 annual aggregate including Physical Loss, Physical Damage and Business Interruption
  - $250,000 Crisis Management and Public Relations expenses
  - $250,000 Additional Security expenses
  - $250,000 Counseling expenses

Church Insurance Companies Results

Living up to our mission

TEC participation exceeds 90%

Client service satisfaction exceeds >90%

Claims satisfaction exceeds >90%

Client retention of more than 98%

Source: Church Insurance Agency and claims reports.

Contact Information

Inform Church Insurance if your institution experiences an incident

- Call Direct: *(800) 293-3525*
- Find your Church Insurance Field Representative in ARC
  - Go to the Administrators’ Resource Center (ARC): *cpg.org/arc*
  - Look under “Who To Call” in the left menu
  - Select “The Church Insurance Agency,” at: *cpg.org/administrators/resources/arc/who-to-call/ciac/*

Questions & Answers

Important Disclosures

“Church Insurance Companies” refers to The Church Insurance Company, NAIC No. 10669, a New York domiciled insurance company with its home office located at 19 East 34th Street, New York, New York 10016, The Church Insurance Company of Vermont, a Vermont domiciled insurance company with its home office located at 210 South Street, Bennington, VT 05201, and The Church Insurance Agency Corporation, an insurance agency with its home office located at 19 East 34th Street, New York, NY 10016. The Church Insurance Companies offer property and casualty insurance coverage and other related services to The Episcopal Church and its dioceses, parishes and other entities.

Property and casualty insurance products are underwritten by The Church Insurance Company, The Church Insurance Company of Vermont, and other companies (not affiliated with the Church Insurance Companies) for which The Church Insurance Agency Corporation acts as an insurance agent or broker. Product availability and features may vary by state, and products may not be available in all states. The Church Insurance Companies are not licensed in all states. Information and descriptions of products and services are provided solely for general informational purposes and are not intended to be complete descriptions, or to create a contract or an offer to provide, coverage. For complete details of coverage, including exclusions, limitations and restrictions, please see the actual policy or certificate. If any description of a Church Insurance Companies product conflicts with the terms of the actual policy or certificate, then the terms of such policy or certificate will govern.

The Church Insurance Companies do not guarantee the performance of the legal and contractual obligations of any unaffiliated insurer.