

LOYAL ORDER OF MOOSE

**INSURANCE FOR LODGES, SERVICE CENTERS
CHAPTERS, LEGIONS & ASSOCIATIONS**

PROGRAMS AND PROCEDURES



**Risk Management Department
Moose International, Inc.
155 S. International Drive
Mooseheart, IL 60539-1119**

Toll Free: 1-800-544-4407 (Information)

Toll Free: 1-877-5MOOSE5 (Claims)

Fax: 630-859-6624

September, 2008

Note: This edition supersedes all previous issues of this booklet.

INTRODUCTION

There are six insurance or risk management programs coordinated for the benefit and protection of some or all fraternal units pursuant to Section 46.9 of The General Laws:

1. Commercial General and Liquor Liability (Moose Risk Pool)
2. Directors and Officers Liability (Moose Risk Pool)
3. Employee Theft, formerly the “Officers Bond” (obtained locally or through Lockton at 1-866-836-3373)
4. Property/Fire Insurance, Building and Contents, (obtained locally or through Lockton at 1-866-836-3373)
5. Workers’ Compensation (obtained through Hartford Insurance Group via Aon Risk Services at 1-800-966-2708)
 - Alaskan Lodges from Liberty Mutual Northwest.
 - Canadian Lodges from each Lodge’s Provincial Workers Compensation Fund;
 - Lodges in Ohio, North Dakota, Washington (state), West Virginia and Wyoming from their respective State Workers Compensation Fund or other facility;
6. Special Event Dram Shop Liquor Liability Insurance (obtain locally or through Aon Risk Services, see pages 15-16)

Each of these coverages provides specific protection for Lodges. Certain coverages also protect Service Centers, Chapters, Legions and Associations. Following is a summary explanation of each coverage and certain procedures associated with each.

Please note this booklet is only intended to summarize the coverage provided under the insurance programs noted above and is not a contract of insurance itself, nor is it a commitment or binder of insurance. Please call the **Risk Management Department** of Moose International at **1-800-544-4407** with any questions, comments or requests.

GENERAL and LIQUOR LIABILITY (RISK POOL)

PROGRAM STRUCTURE

- The first \$1,500,000 of each loss is self-insured by all Lodges collectively. Each loss is shared by all Lodges, through pooled funds, in order to pay claims that no single Lodge could afford to pay by itself. This segment of coverage is known as the “**Risk Pool.**”
- Conventional Excess Liability policies, issued by Endurance Insurance Company, would pay the next \$3,500,000 of each General Liability loss (Liquor Liability is limited to the next \$1,500,000).
- The portion of any **General Liability** claim exceeding \$5,000,000 would also be covered by Moose International’s Umbrella/Excess liability insurance program. No **Liquor Liability** claim above \$3,000,000 in value is insured.

Although the Risk Pool is a risk-retention program, Fraternal Insurance Company, Inc., a wholly-owned captive insurance company of Moose International, Inc., does issue a formal policy. This policy provides several benefits:

- It defines and limits the extent of the Risk Pool’s obligations just as any insurance policy would.
- Its broad Named Insured endorsement extends coverage to Lodges, Chapters and other units of the Order.
- It enables us to issue certificates of insurance to various licensing bodies, landlords and others as required.
- It enables us to set terms by which we can then obtain Excess insurance from outside insurers.

PROGRAM COVERAGE

Following is a general summary of coverages provided through the Risk Pool.

Commercial General and Liquor Liability coverage protects the Lodges (and other units) against claims for monetary damages for which they may be held legally liable as a result of bodily injury and/or property damage arising out of **authorized AND legal** Lodge operations. In addition to paying any damages resulting from lawsuits or out-of-court settlements, the coverage also pays for necessary investigations and attorneys' fees related to covered claims.

Specific coverages provided by this program include:

- **Bodily Injury and Third Party Property Damage liability:**
Covers your legal liability for Bodily Injury to persons (except employees), including death, and damage to property of others, that occur on your premises (owned or leased) or arise out of **authorized** Moose activities on or off the premises;

- **Personal and Advertising Injury Liability:**
Covers certain non-willful offenses such as false arrest, libel and slander, invasion of privacy and copyright infringement in your advertisement;
- **Premises Medical Payments:**
Pays up to \$5,000 per person, for medical expenses incurred as a result of bodily injury to non-employees, arising out of incidents on your premises or your operations. Coverage applies to members, guests, volunteer workers, and members of the public;

NOTE: injury to a participant in any athletic activity is excluded.

- **Contractual Liability:**
Covers liability you assume in approved contracts which you legally enter into relating to your premises and activities, but excludes breach of contract;
- **Independent Contractors:**
Covers your liability for acts or omissions of contractors you hire to perform work on your premises or related to your operations;
- **Liquor Liability (dram shop):**
Covers claims brought against the lodge or other unit based on the selling or serving of alcoholic beverages, either on your premises or at an authorized Moose-sponsored activity away from the premises;
* Note that the rental of your property for functions at which alcohol is served requires additional coverage be purchased to cover the Lodge's first layer of liability (see Requirements When Renting Fraternal Property or Facilities on pages 14 & 15);
- **Products Liability:**
Covers your liability for bodily injury and/or property damage caused by food, beverage or other products sold, served or distributed by you;
- **Fire Legal Liability (for the third party):**
Covers up to \$1,500,000 for third parties for damages for which you may be legally liable (resulting from fire damage to their premises you lease). This coverage does not replace any form of property coverage for property owned by the Lodge; it will not satisfy a lease requirement that you purchase fire or all risk insurance on a building that you occupy;
- **Watercraft Liability:**
Covers your liability arising out of the use of any non-owned watercraft up to 26 feet in length, provided it is not used to carry persons or property for a charge;
- **Employee Benefits Liability:**
Covers claims by employees alleging negligence in the administration of an employee benefit plan;
- **Discrimination Liability:**
Covers your liability for allegations of discrimination in the membership process;
- **Employees and Volunteers as Additional Insureds:**
Provides protection to individual employees and volunteers, acting within the scope of their duties, against the types of claims outlined above.

The General and Liquor Liability Risk Pool program does not cover:

- **Breach of contract.**
- **Acts which are expected or intended to cause injury or damage.**
- **Losses arising out of the ownership, maintenance or use of a motor vehicle.**
- **Employment related practice claims such as those alleging wrongful termination, hostile work environment, sexual harassment, or discrimination based on age, gender, race, religion, disability, sexual orientation, or national origin. (SEE DIRECTORS and OFFICERS LIABILITY COVERAGE.)**
- **Functions that are not part of a normal lodge operation.**
- **Functions that are off lodge premises without proper authorization.**
- **Liquor Liability claims arising from the rental of your fraternal property if no Special Event Coverage has been purchased.**

PROGRAM PARTICIPATION AND COSTS

All Lodges, Service Centers, Chapters, Legions and Associations are automatically included in the Commercial General and Liquor Liability Program. All units are billed by Moose International for their share of the program's cost in three installments: 50% in May, 25% in September and 25% in January. Because almost all the total amount billed pays for losses that occur during the annual period, this is commonly referred to as the Risk Pool Assessment

HOW IS THE RISK POOL ASSESSMENT DETERMINED?

The Risk Pool funding need is determined by the total cost of the program, including: claim payments, adjusting expenses, legal defense costs and administrative costs. For 2008, each Lodge's assessment is based on the membership total in each Lodge. Lodges with no building, Legions and Associations are assessed a flat minimum premium each year. Chapter and Service Center assessments are based upon membership totals alone.

CLAIM / INCIDENT REPORTING – 1-877-5MOOSE5

Insurance policy conditions require that you see to it that we are notified as soon as practicable of an occurrence or offense that may result in a claim. There are no forms to fill out. You simply call our Third Party Administrator, Gallagher Bassett Services, Inc., using the 24 hour-a-day toll free number listed above.

The Third Party Administrator representative will ask the following questions:

- * Name, address and telephone number of injured party
- * Person's date of birth and social security number (for medical bill verification)
- * Person's occupation and membership status
- * Names and telephone numbers of any witnesses
- * Date and time of incident and description of what happened
- * What part of person's body was injured and whether medical care was needed

Prompt reporting of all incidents is critical to keeping program costs down. It also lets your members and guests know how important they are - and gives us the opportunity to assist them

in their time of need. They are also less likely to hire an attorney when they hear from us promptly.

CERTIFICATES OF INSURANCE

General and Liquor Liability certificates of insurance for landlords, municipalities, licensing bodies and others may be arranged by writing, faxing, emailing or calling the Risk Management Department of Moose International (1-800-544-4407). Please give us at least **ten days advance notice** for certificate issuance. If another entity needs to be named as an additional insured, you must submit a copy of the contract, lease or application that specifies their requirements and provides their full name and address.

Whenever you engage an independent contractor or vendor to perform work or provide services to your lodge, please be sure to request a certificate of insurance from that company and request that they name your Lodge as an additional insured for all losses arising out of the contractor's or vendor's negligence.

LOSS CONTROL (Prevention and Reduction)

Each Lodge shall have a Loss Prevention Chairperson who performs periodic inspections (usually quarterly) of the Lodge home and grounds using the safety checklist posted on www.mooseintl.org (Members Only then Risk Management). These checklists should be kept in a binder along with written documentation of all repairs made and corrective actions taken. This provides us with a record that can be used to defend you in the event of a lawsuit. Similar records should be kept for snow removal, improvements to the building and grounds, rental of the lodge hall, etc.

Also posted on the website above is the C.A.P. (Continuous Accident Prevention) booklet. This tool provides many examples of how to safeguard your lodge facility. A copy of the C.A.P. booklet should be provided to the Lodge Loss Prevention Chairperson for reference.

ANNUAL INSURANCE REPORTS

It is very important to complete this one page form and return it along with a copy of your Employee Theft (Fidelity Bond) Insurance Policy and Property Insurance policy declarations pages. We will maintain a record of your insurance coverage in the event your original documents are ever lost or destroyed. The Annual Insurance Report can be accessed online by following the links provided below:

Log On To:

- www.mooseintl.org

Go To: Member Portal and Enter I.D. and Password;

Go To: Reference Center (Lower Left Side);

Go To: Forms Central;

Go To: Annual Insurance Report;

Go To: Print

Please telephone the Moose International Risk Management Department at 1-800-544-4407 with any questions about General and Liquor Liability coverage, Risk Pool Assessments, Certificates of Insurance or Safety. Our fax number is 630-859-6624. Please direct any correspondence to our attention at:

**Risk Management Department
Moose International, Inc.
155 S. International Drive
Mooseheart, IL 60539-1119**

DIRECTORS & OFFICERS LIABILITY (D & O)

PROGRAM STRUCTURE

Effective May 1, 2006, this program became a part of the Risk Pool. Chapters, Legions and Associations are covered as affiliates of the Lodges for no additional charge. Lodges with no building and service centers are not required to participate in this program. The limits of insurance are \$1,000,000 per occurrence and \$3,000,000 annual aggregate. As with the other Risk Pool coverages, Fraternal Insurance Company issues a policy and all fraternal units are covered by a broad Named Insured endorsement.

PROGRAM COVERAGE

This policy covers both the Lodge corporation and the directors and officers personally for certain wrongful acts, errors or omissions arising out of the discharge of their official duties. Wrongful act means any actual or alleged employment practices act, negligent act, error, omission, misstatement, misleading statement, or breach of duty. The most common types of claims usually involve employment practices, including, but not limited to: wrongful termination of employment, employment discrimination, sexual harassment and hostile work environment.

PROGRAM PARTICIPATION AND COST

All Lodges that own or rent a physical facility are automatically covered under this program. Premiums are based solely on membership and are listed as a separate line item along with the Risk Pool General and Liquor Liability assessment on the invoices that are mailed to each Lodge in May, September and January.

CLAIM / INCIDENT REPORTING – 1-800-544-4407

If you receive any **written notice** of a claim you should immediately call the Risk Management Department of Moose International at **1-800-544-4407**. We will explain the claim process, including an investigation that may need to be conducted by the House Committee as employer pursuant to Section 48.6 of The General Laws, and you will be instructed to immediately send us all documents in your possession that relate to the claim. Please note that the documents are very important because coverage under this policy is triggered on the date that the lodge first receives written notice from or on behalf of the claimant. We may also need statement from key witnesses to the alleged conduct.

You should not discuss these claims with anyone other than our office or with an attorney we hire to defend you. Voicing unproven suspicions is inappropriate and could result in a large defamation award against you or the lodge. Under no circumstances should matters of this nature be ignored. The law requires employers to take immediate action when a worker files a complaint. Failure to do so could be used as evidence against you.

EMPLOYEE THEFT (FIDELITY BOND) **(Obtained Locally or through Lockton Risk Services)**

PROGRAM STRUCTURE

A master program is now administered by Lockton Risk Services and is underwritten by Travelers Insurance Company. Each fraternal unit Board of Officers is responsible for setting the limit of coverage that is appropriate based upon your total annual receipts from all sources, including membership dues, social quarters receipts and legal gaming revenue. The minimum amount of coverage that may be purchased under this program is \$5,000 and increases in increments of \$5,000. Lodges may opt to obtain coverage from a local insurance agent, using the above limits as a guideline.

PROGRAM COVERAGE

All Lodges, Service Centers, Chapters, Legions and Associations are covered for employee theft on a blanket, rather than a scheduled position basis and coverage extends to volunteers as well as employees. This means the bond coverage extends to all officers and house employees designated in Section 46.3 of The General Laws and any other person who is authorized in writing by the Board of Officers to handle funds. This program specifically insures the lodge against loss of money, securities or other property resulting from theft committed by an identified employee or volunteer, acting alone or in collusion with others. It is very important to note that the bond is cancelled as to any employee, immediately upon discovery by you of theft or any dishonest act committed by the employee, either before or after becoming employed by you.

The bond does not cover loss by burglary, theft by an outsider, or robbery. You should insure these hazards by adding the necessary endorsements to the property insurance you purchase locally or through the approved Moose Property Program which is also administered by Lockton. The bond also does not cover indirect losses including, but not limited to: loss of income you would have realized if there was no theft, payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss and damages such as fines, penalties and interest.

PROGRAM PARTICIPATION AND COSTS

The limits of coverage for all Lodges, Service Centers, Chapters, Legions and Associations were communicated to Lockton Risk Services prior to May 1, 2007. Since individual revenue amounts change from time to time, any fraternal unit that wishes to increase or decrease its bond limit must submit a written request to Lockton stating the limit desired. Fraternal units wishing to do so may instead purchase this required coverage from a local agent or broker. It is very important to note that employee theft coverage is not automatically included when you purchase

property coverage, but it may be added to some policies for an additional charge. Please contact Lockton at **1-866-836-3373** or your local agent/broker for additional information.

CLAIM / INCIDENT REPORTING

As soon as a potential loss is discovered, you should immediately contact S. Terry Davidson, Travelers Bond & Financial Products, at **573-334-6074**; fax number **866-837-3271** or by email sdavidso@travelers.com . Pursuant to Section 43.5 of The General Laws, the Board of Officers should also immediately convene the Auditing Committee to conduct a special audit of all lodge books and records.

Naturally, if the coverage was secured through a local insurance agent, it is that agent who should be contacted if a claim occurs.

When you report the claim, please inform the adjuster that the Audit Committee's report will be forwarded along with all supporting documentation.

Examples of supporting documents include, but are not limited to:

1. Bank account statements and deposit slips
2. Cancelled checks (copies of front and back)
3. Receipt ledger books
4. Invoices and statements from vendors
5. Meeting minutes showing expenditure authorization (or prohibition)
6. Signed employee receipt statements (for keys and start-up cash)
7. Signed and witnessed confession statements
8. Sworn statements of witnesses

YOU MUST FILE YOUR CLAIM WITHIN THE POLICY REPORTING PERIOD

The Travelers policy requires you to provide a sworn Proof of Loss form and all supporting documents within 180 days (six months) from the date of discovery. This allows them to pursue the responsible party for reimbursement within the time limit set by state/provincial law.

Note: If coverage was secured locally, you should check your policy's claims reporting provision or ask your independent agent what the terms and conditions are.

You should not discuss the matter outside of a closed board meeting and anyone with a conflict of interest should excuse themselves from that portion of the meeting. In addition, you should never accuse someone of theft without adequate proof. False accusations could result in a large defamation award against yourself and the lodge.

Finally, you should not accept partial repayment from the responsible party since this will void the bond.

PROPERTY / FIRE INSURANCE (BUILDING & CONTENTS)

(Obtained Locally or through Lockton Risk Services)

PROGRAM STRUCTURE

All Lodges are required to carry broad form multi-peril Replacement Cost coverage. Both the Building (if owned or if the Lodge is required to cover Building due to lease terms) and/or Lodge Business Personal Property shall be covered. Lockton Risk Services is the approved vendor for this program and they can be reached at **1-866-836-3373**. Coverage may also be secured through a local insurance agent. It is very important that the insurance you buy is underwritten by an “A” rated carrier with the financial ability to pay claims in the event of a widespread catastrophe.

PROGRAM COVERAGE

While coverage needs will likely vary from Lodge to Lodge, there are some key endorsements that should be considered including:

- Business Interruption and Extra Expenses
- Comprehensive Boiler and Machinery
- Broad Form Money and Securities (both on and off premises)
- Ordinance and Code Change coverage
- Back Up of Sewers and Drains
- Increased Theft Limits for Computers
- Earthquake
- Flood
- Fire

PROGRAM PARTICIPATION AND COST

All Lodges that own a building must insure it on a replacement cost basis regardless of whether they have a mortgage or not. Failure to do so could result in personal liability to the officers in the event of a loss. The cost of this insurance will vary depending upon location, local fire protection and crime ratings and deductible selected. A copy of your policy declarations page should be remitted to the Risk Management Department of Moose International along with the Annual Insurance Report you receive with the September Risk Pool invoice so we can assist you in the event your records are lost or destroyed.

CLAIM / INCIDENT REPORTING

Just as you would with any other insurance, you should report any incidents or claims as soon as practicable to your agent or broker. The policy conditions also require that you take steps after a loss to protect covered property from further loss. There are board-up services and restoration

companies that specialize in this work. If you have any questions or experience difficulties with a claim, please call Risk Management at **1-800-544-4407**.

WORKERS COMPENSATION (Through Hartford Insurance via Aon Risk Services)

PROGRAM STRUCTURE

- Lodges with facilities in Canada will purchase Workers Compensation insurance from their provincial fund.
- Lodges with facilities in the states of North Dakota, Ohio, Washington, West Virginia or Wyoming will purchase Workers' Compensation insurance from their state fund.
- All other U.S. lodges with facilities will purchase Workers Compensation insurance from The Hartford, which will underwrite and service all Moose lodges from its Select Customer Insurance Center in Charlotte, North Carolina. Aon Risk Services (**1-800-966-2708**) can assist you with obtaining this coverage.

PROGRAM COVERAGE

The Hartford policy will include two coverages:

1. Statutory Workers Compensation insurance following your state's laws;
2. Employers Liability insurance covering certain employee injuries that are not subject to the state's Workers Compensation Act.

PROGRAM PARTICIPATION AND COST

All Lodges with facilities, including those with zero payroll, are required to participate in this program. This is because statutory definitions of "employee" have become very broad and although you may not intend it, someone who performs services for your Lodge may be found to be your employee and be eligible for statutory benefits that fall outside of the scope of your other insurance. Remember, anyone who receives any form of compensation (not necessarily pay) from you could potentially be your employee.

The Hartford will issue policies, collect premiums, process audit adjustments and answer any questions you may have. In order to issue your policy, The Hartford may utilize payroll information provided by Moose International or Aon Risk Services, or The Hartford may contact the lodge directly. If you believe that a policy or other document you receive from The Hartford is incorrect or if you have any question relating to the policy or policy premium, you may telephone The Hartford at **1-888-253-4940**. Please have your policy number or account number handy when you call since that is needed to access your account information.

CLAIM / INCIDENT REPORTING – 1-800-327-3636

Every Workers Compensation loss should be reported within 24 hours of its happening to The Hartford at the number above. The Hartford will take the claim information by telephone and generate the accident report required by your state.

FREQUENTLY ASKED QUESTIONS-ALL COVERAGES

- Should we report an incident/injury even if the injured person says they have insurance?

Yes. (1) The Risk Pool insurance is primary over other insurance. Even if other insurance pays for medical bills related to the injury, they often contact Risk Management at a later time to recover their money. **(2)** The extent of a person's injuries may not become apparent until a later time. Risk Management needs to investigate the incident when the facts are fresh. This provides Risk Management the best opportunity to protect the Lodge's interests and keep Risk Pool costs down.

- Should we report an incident/injury if we feel the Lodge was **not** responsible?

Yes. Regardless of fault, the incident should be reported. Again, timely reporting allows Risk Management the best opportunity to protect Lodge's interests and keep Risk Pool costs down.

- Is reporting incidents to Risk Management optional? Can/should **we** pay the medical bills of a person injured on our property **instead of** reporting the injury to Risk management?

No. Any incident involving an injury that does or may involve medical expenses should be reported to Risk Management as soon as practical.

- Are we required to carry our Fidelity Bond coverage through Lockton Risk Services?

No. But Fraternal Units are required to carry Employee Theft coverage. Lockton Risk Services is an approved vendor that provides coverage that most closely mirrors the former self-insured program administered by Moose International, including the extended reporting period of 180 days. In addition, the rate per thousand dollars of coverage is very reasonable because we are purchasing as a group and no unit is excluded because of prior claims. You may also obtain competitive quotes from your local insurance agent.

- Should we contact the police if we suspect an employee or officer has embezzled funds?

Yes, you should contact local law enforcement authorities any time a suspected theft or crime occurs.

- Do we need liquor liability coverage if we only sell wine and beer?

Yes. For the purposes of insurance, liquor is considered to be **any** beverage that contains **any** amount of alcohol.

- We paid our Risk Pool assessment in full in May, why are we receiving bills in September and January?

Risk Pool installment invoices are automatically generated for all fraternal units three times per year. If you have already paid the full **annual** assessment amount, please disregard the other invoices. Please refer to your monthly statement of account for charges and credits.

SPECIAL EVENT COVERAGE REQUIREMENTS WHEN RENTING YOUR FRATERNAL PROPERTY OR FACILITIES

When renting your lodge, property, or facilities either for a fixed amount of money or gratis (no fee), you must make sure the requirements listed below are followed *when alcohol is being served during such rental.*

1. Special Event Coverage with limits of at least \$1,000,000.00 for General Liability **including** \$1,000,000.00 for Liquor Liability must be obtained prior to the event. Your Lodge or Service Center and Moose International, Inc. **must** be named as additional Insureds under this coverage. You must be provided with proof of this coverage prior to the event.

Failure to follow these requirements will result in there being no insurance coverage for you for any claims arising out of the event, gathering, party, reunion, reception, or other activity for which you rented your Lodge, property, or facilities.

These requirements apply regardless of whether or not you are renting to a Moose member. All other requirements, including requirements placed by the General Governor's office, remain in full effect.

Special Event Coverage may be purchased through your local agent or through Aon. (Please see *Special Event Coverage Availability* on pages 16 and 17 for further information.)

FREQUENTLY ASKED QUESTIONS REGARDING THE REQUIREMENTS WHEN RENTING FRATERNAL PROPERTY OR FACILITIES

1. Do these requirements apply if there is no alcohol being served?

No. These requirements only apply if alcohol is being served at the event during the rental period.

2. Our facilities are used by a Moose Legion, WOTM Chapter, or Moose Association at times. Do the requirements apply to these functions?

These requirements do not apply to fraternal units renting or utilizing your property if the property is being used for a strictly Moose function.

3. Do these requirements apply to contracts to rent our property that were in place prior to the publication of the requirements?

Any written contract signed prior to May 1, 2008 is not subject to these requirements. However, if you have a loss that arises from a rental with a contract signed prior to May 1, 2008, you must provide a copy of the signed contract to Gallagher-Bassett when reporting this claim.

4. Can we, the Lodge, obtain the needed insurance for the person or party to whom we are renting our property?

Yes. If you wish to place the insurance coverage for the person or party renting your property and roll the cost of the insurance into your rental fee, you may do this. However, you need to make sure that your Lodge, Moose International, Inc., and the renter are named as Insureds on the policy. In many cases, it may be simpler for the Lodge to purchase this coverage.

5. We sometimes rent our facilities to the Police Department or Fire Department for their activities. These departments have their own insurance. Does their insurance satisfy these requirements?

Such insurance is *only* acceptable if: 1) It carries \$1,000,000.00 in coverage for liquor liability; 2) The policy is a primary policy and does not contain a clause stating that if another policy is primary they will share the liability and expenses equally; and 3) There is a rider to the policy naming your Lodge and Moose International, Inc. as Additional Insureds for the purposes of the event or activity.

If you have any doubt that the insurance meets the above criteria, please contact the Risk Management Department at 1-800-544-4407.

6. Can a person's homeowner's insurance be used instead of purchasing Special Event Insurance?

No. Homeowner's insurance does not contain Liquor Liability/Dram Shop Coverage and will not provide coverage for the Lodge or Moose International, Inc. Homeowner's insurance only covers Host Liquor Liability for alcohol served in one's home to one's guests.

7. Where can we purchase Special Event Insurance?

You may purchase this coverage through Aon at www.Aonline.com. Please refer to the section of this booklet titled *Special Event Coverage Availability* for further information as to how to access this website.

You also may contact your local agent or broker in order to obtain this coverage. Please remember that you will need to purchase Special Event Coverage that includes Liquor Liability/Dram Shop coverage and not Host Liquor Liability. This coverage must be primary and cannot contain a clause stating that if another policy is primary they will share liability and expenses equally.

8. What are the required limits for the Special Event Insurance?

The Special Event Insurance should carry limits of \$1,000,000 general liability including coverage for liquor liability. This means that the \$1,000,000 general liability coverage also covers liquor liability claims up to \$1,000,000. This limit is per event and not aggregate.

9. Can we rent our facilities to non-members?

No. The General Laws prohibit renting to non-members without an approved dispensation from the General Governor.

10. Who should we contact if we still have questions about these requirements?

Please contact the Risk Management Department at 1-800-544-4407.

SPECIAL EVENT COVERAGE AVAILABILITY

Special Event Insurance Coverage is available for our Fraternal Units in The United States through AON effective August 1, 2008. (Coverage for Canadian Fraternal Units should be available in the near future.)

A dedicated website has been created for the Special Event Insurance required of Fraternal Units renting their premises to third-parties (including members) or hosting fund-raisers and other Event where alcohol will be sold or served.

The cost is a flat \$156.00 (premium plus premium tax) per event for Event with up to 1,000 guests expected. The limits of liability are \$1,000,000 general liability including liquor liability/dram shop.

This website consists of a single instruction page plus a one-page “application” that asks only:

- Name of Lodge, Chapter, Association or Legion
- Lodge or Unit Number
- Address
- Telephone Number
- Date and Time of Scheduled Event
- Brief Description of Event (i.e. anniversary, birthday or other party)
- Estimated Number of Guests
- Name(s) of renters, or hosts

Once the above information is input, you will merely click on the “Submit” button to get a confirmation that your request has been received. To assure that coverage is effected, you must mail your check for the \$156.00 the same day as you complete and submit the application, or if the application is completed and submitted after business hours, the next business day. Instructions for the Payee and mailing of your check are found on the site.

All appropriate parties (Moose International, Inc. and the renters/hosts) will be Additional Insureds, with the Fraternal Unit being the primary Named Insured.

To prepare your access to this site, please go online now (even if you do not have an event planned at this time) and set the following as trusted sites:

- a. Open Internet Browser, under Tools, Internet Options.....
- b. Click on Security tab, click Trusted Sites then Site and.....
Enter https://*.aon.com (click Add)
Enter https://*.aonline-aon.com (click Add, then OK)
- c. Browser should be closed and reopened for setting adjustment to take.

If you run into difficulty with the above, please call **1-800-953-4576** to reach AonLine Client Services for assistance.

YOU WILL ONLY HAVE TO DO THIS ONE TIME TO THEN BE ABLE TO ACCESS YOUR DEDICATED SITE IN THE FUTURE.

Once the above has been done, each time you need to access the online application site:

- a. Enter **aonline.aon.com**
- b. Enter your User ID which is **FraternalOrder**
- c. Enter your Password which is **Mooseheart#1**

If you have questions about the insurance itself, please call **1-800-966-2708** to reach the Moose Lodge Service Desk at Aon in Chicago.

CONTACTS

Topic	Contact	Phone Number
Report injuries or property damage sustained on lodge property or because of lodge operations:	Gallagher-Bassett	877-5MOOSE5
Report of Directors & Officers Claims:	Risk Management	800-544-4407
Report employee injuries(non-monopolistic states)	The Hartford	800-327-3636
Renewing liquor license and need insurance information:	Risk Management	800-544-4407
Report discovered employee theft:	Travelers (or local agent/insurer)	573-334-6074 Travelers
Report property damage from fire, lightning, windstorm, hail, etc.:	Lockton (or local carrier)	866-836-3373 Lockton
Requesting Certificates of Insurance:	Risk Management	800-544-4407
Submitting alcohol server certifications:	Risk Management	Fax: 630-859-6624
To verify if Risk Pool payment was received:	Finance Department	630-966-2203
To check payroll amount used to figure Workers' Compensation premium:	Aon Risk Services	800-966-2708

INTRODUCTION

There are six insurance or risk management programs coordinated for the benefit and protection of some or all fraternal units pursuant to Section 46.9 of The General Laws:

1. Commercial General and Liquor Liability (Moose Risk Pool)
2. Directors and Officers Liability (Moose Risk Pool)
3. Employee Theft, formerly the “Officers Bond” (obtained locally or through Lockton at 1-866-836-3373)
4. Property/Fire Insurance, Building and Contents, (obtained locally or through Lockton at 1-866-836-3373)
5. Workers’ Compensation (obtained through Hartford Insurance Group via Aon Risk Services at 1-800-966-2708)
 - Alaskan Lodges from Liberty Mutual Northwest.
 - Canadian Lodges from each Lodge’s Provincial Workers Compensation Fund;
 - Lodges in Ohio, North Dakota, Washington (state), West Virginia and Wyoming from their respective State Workers Compensation Fund or other facility;
6. Special Event Dram Shop Liquor Liability Insurance (obtain locally or through Aon Risk Services, see pages 15-16)

Each of these coverages provides specific protection for Lodges. Certain coverages also protect Service Centers, Chapters, Legions and Associations. Following is a summary explanation of each coverage and certain procedures associated with each.

Please note this booklet is only intended to summarize the coverage provided under the insurance programs noted above and is not a contract of insurance itself, nor is it a commitment or binder of insurance. Please call the **Risk Management Department** of Moose International at **1-800-544-4407** with any questions, comments or requests.

GENERAL and LIQUOR LIABILITY (RISK POOL)

PROGRAM STRUCTURE

- The first \$1,500,000 of each loss is self-insured by all Lodges collectively. Each loss is shared by all Lodges, through pooled funds, in order to pay claims that no single Lodge could afford to pay by itself. This segment of coverage is known as the “**Risk Pool.**”
- Conventional Excess Liability policies, issued by Endurance Insurance Company, would pay the next \$3,500,000 of each General Liability loss (Liquor Liability is limited to the next \$1,500,000).
- The portion of any **General Liability** claim exceeding \$5,000,000 would also be covered by Moose International’s Umbrella/Excess liability insurance program. No **Liquor Liability** claim above \$3,000,000 in value is insured.

Although the Risk Pool is a risk-retention program, Fraternal Insurance Company, Inc., a wholly-owned captive insurance company of Moose International, Inc., does issue a formal policy. This policy provides several benefits:

- It defines and limits the extent of the Risk Pool’s obligations just as any insurance policy would.
- Its broad Named Insured endorsement extends coverage to Lodges, Chapters and other units of the Order.
- It enables us to issue certificates of insurance to various licensing bodies, landlords and others as required.
- It enables us to set terms by which we can then obtain Excess insurance from outside insurers.

PROGRAM COVERAGE

Following is a general summary of coverages provided through the Risk Pool.

Commercial General and Liquor Liability coverage protects the Lodges (and other units) against claims for monetary damages for which they may be held legally liable as a result of bodily injury and/or property damage arising out of **authorized AND legal** Lodge operations. In addition to paying any damages resulting from lawsuits or out-of-court settlements, the coverage also pays for necessary investigations and attorneys' fees related to covered claims.

Specific coverages provided by this program include:

- **Bodily Injury and Third Party Property Damage liability:**
Covers your legal liability for Bodily Injury to persons (except employees), including death, and damage to property of others, that occur on your premises (owned or leased) or arise out of **authorized** Moose activities on or off the premises;

- **Personal and Advertising Injury Liability:**
Covers certain non-willful offenses such as false arrest, libel and slander, invasion of privacy and copyright infringement in your advertisement;
- **Premises Medical Payments:**
Pays up to \$5,000 per person, for medical expenses incurred as a result of bodily injury to non-employees, arising out of incidents on your premises or your operations. Coverage applies to members, guests, volunteer workers, and members of the public;

NOTE: injury to a participant in any athletic activity is excluded.

- **Contractual Liability:**
Covers liability you assume in approved contracts which you legally enter into relating to your premises and activities, but excludes breach of contract;
- **Independent Contractors:**
Covers your liability for acts or omissions of contractors you hire to perform work on your premises or related to your operations;
- **Liquor Liability (dram shop):**
Covers claims brought against the lodge or other unit based on the selling or serving of alcoholic beverages, either on your premises or at an authorized Moose-sponsored activity away from the premises;
* Note that the rental of your property for functions at which alcohol is served requires additional coverage be purchased to cover the Lodge's first layer of liability (see Requirements When Renting Fraternal Property or Facilities on pages 14 & 15);
- **Products Liability:**
Covers your liability for bodily injury and/or property damage caused by food, beverage or other products sold, served or distributed by you;
- **Fire Legal Liability (for the third party):**
Covers up to \$1,500,000 for third parties for damages for which you may be legally liable (resulting from fire damage to their premises you lease). This coverage does not replace any form of property coverage for property owned by the Lodge; it will not satisfy a lease requirement that you purchase fire or all risk insurance on a building that you occupy;
- **Watercraft Liability:**
Covers your liability arising out of the use of any non-owned watercraft up to 26 feet in length, provided it is not used to carry persons or property for a charge;
- **Employee Benefits Liability:**
Covers claims by employees alleging negligence in the administration of an employee benefit plan;
- **Discrimination Liability:**
Covers your liability for allegations of discrimination in the membership process;
- **Employees and Volunteers as Additional Insureds:**
Provides protection to individual employees and volunteers, acting within the scope of their duties, against the types of claims outlined above.

The General and Liquor Liability Risk Pool program does not cover:

- **Breach of contract.**
- **Acts which are expected or intended to cause injury or damage.**
- **Losses arising out of the ownership, maintenance or use of a motor vehicle.**
- **Employment related practice claims such as those alleging wrongful termination, hostile work environment, sexual harassment, or discrimination based on age, gender, race, religion, disability, sexual orientation, or national origin. (SEE DIRECTORS and OFFICERS LIABILITY COVERAGE.)**
- **Functions that are not part of a normal lodge operation.**
- **Functions that are off lodge premises without proper authorization.**
- **Liquor Liability claims arising from the rental of your fraternal property if no Special Event Coverage has been purchased.**

PROGRAM PARTICIPATION AND COSTS

All Lodges, Service Centers, Chapters, Legions and Associations are automatically included in the Commercial General and Liquor Liability Program. All units are billed by Moose International for their share of the program's cost in three installments: 50% in May, 25% in September and 25% in January. Because almost all the total amount billed pays for losses that occur during the annual period, this is commonly referred to as the Risk Pool Assessment

HOW IS THE RISK POOL ASSESSMENT DETERMINED?

The Risk Pool funding need is determined by the total cost of the program, including: claim payments, adjusting expenses, legal defense costs and administrative costs. For 2008, each Lodge's assessment is based on the membership total in each Lodge. Lodges with no building, Legions and Associations are assessed a flat minimum premium each year. Chapter and Service Center assessments are based upon membership totals alone.

CLAIM / INCIDENT REPORTING – 1-877-5MOOSE5

Insurance policy conditions require that you see to it that we are notified as soon as practicable of an occurrence or offense that may result in a claim. There are no forms to fill out. You simply call our Third Party Administrator, Gallagher Bassett Services, Inc., using the 24 hour-a-day toll free number listed above.

The Third Party Administrator representative will ask the following questions:

- * Name, address and telephone number of injured party
- * Person's date of birth and social security number (for medical bill verification)
- * Person's occupation and membership status
- * Names and telephone numbers of any witnesses
- * Date and time of incident and description of what happened
- * What part of person's body was injured and whether medical care was needed

Prompt reporting of all incidents is critical to keeping program costs down. It also lets your members and guests know how important they are - and gives us the opportunity to assist them

in their time of need. They are also less likely to hire an attorney when they hear from us promptly.

CERTIFICATES OF INSURANCE

General and Liquor Liability certificates of insurance for landlords, municipalities, licensing bodies and others may be arranged by writing, faxing, emailing or calling the Risk Management Department of Moose International (1-800-544-4407). Please give us at least **ten days advance notice** for certificate issuance. If another entity needs to be named as an additional insured, you must submit a copy of the contract, lease or application that specifies their requirements and provides their full name and address.

Whenever you engage an independent contractor or vendor to perform work or provide services to your lodge, please be sure to request a certificate of insurance from that company and request that they name your Lodge as an additional insured for all losses arising out of the contractor's or vendor's negligence.

LOSS CONTROL (Prevention and Reduction)

Each Lodge shall have a Loss Prevention Chairperson who performs periodic inspections (usually quarterly) of the Lodge home and grounds using the safety checklist posted on www.mooseintl.org (Members Only then Risk Management). These checklists should be kept in a binder along with written documentation of all repairs made and corrective actions taken. This provides us with a record that can be used to defend you in the event of a lawsuit. Similar records should be kept for snow removal, improvements to the building and grounds, rental of the lodge hall, etc.

Also posted on the website above is the C.A.P. (Continuous Accident Prevention) booklet. This tool provides many examples of how to safeguard your lodge facility. A copy of the C.A.P. booklet should be provided to the Lodge Loss Prevention Chairperson for reference.

ANNUAL INSURANCE REPORTS

It is very important to complete this one page form and return it along with a copy of your Employee Theft (Fidelity Bond) Insurance Policy and Property Insurance policy declarations pages. We will maintain a record of your insurance coverage in the event your original documents are ever lost or destroyed. The Annual Insurance Report can be accessed online by following the links provided below:

Log On To:

- www.mooseintl.org

Go To: Member Portal and Enter I.D. and Password;

Go To: Reference Center (Lower Left Side);

Go To: Forms Central;

Go To: Annual Insurance Report;

Go To: Print

Please telephone the Moose International Risk Management Department at 1-800-544-4407 with any questions about General and Liquor Liability coverage, Risk Pool Assessments, Certificates of Insurance or Safety. Our fax number is 630-859-6624. Please direct any correspondence to our attention at:

**Risk Management Department
Moose International, Inc.
155 S. International Drive
Mooseheart, IL 60539-1119**

DIRECTORS & OFFICERS LIABILITY (D & O)

PROGRAM STRUCTURE

Effective May 1, 2006, this program became a part of the Risk Pool. Chapters, Legions and Associations are covered as affiliates of the Lodges for no additional charge. Lodges with no building and service centers are not required to participate in this program. The limits of insurance are \$1,000,000 per occurrence and \$3,000,000 annual aggregate. As with the other Risk Pool coverages, Fraternal Insurance Company issues a policy and all fraternal units are covered by a broad Named Insured endorsement.

PROGRAM COVERAGE

This policy covers both the Lodge corporation and the directors and officers personally for certain wrongful acts, errors or omissions arising out of the discharge of their official duties. Wrongful act means any actual or alleged employment practices act, negligent act, error, omission, misstatement, misleading statement, or breach of duty. The most common types of claims usually involve employment practices, including, but not limited to: wrongful termination of employment, employment discrimination, sexual harassment and hostile work environment.

PROGRAM PARTICIPATION AND COST

All Lodges that own or rent a physical facility are automatically covered under this program. Premiums are based solely on membership and are listed as a separate line item along with the Risk Pool General and Liquor Liability assessment on the invoices that are mailed to each Lodge in May, September and January.

CLAIM / INCIDENT REPORTING – 1-800-544-4407

If you receive any **written notice** of a claim you should immediately call the Risk Management Department of Moose International at **1-800-544-4407**. We will explain the claim process, including an investigation that may need to be conducted by the House Committee as employer pursuant to Section 48.6 of The General Laws, and you will be instructed to immediately send us all documents in your possession that relate to the claim. Please note that the documents are very important because coverage under this policy is triggered on the date that the lodge first receives written notice from or on behalf of the claimant. We may also need statement from key witnesses to the alleged conduct.

You should not discuss these claims with anyone other than our office or with an attorney we hire to defend you. Voicing unproven suspicions is inappropriate and could result in a large defamation award against you or the lodge. Under no circumstances should matters of this nature be ignored. The law requires employers to take immediate action when a worker files a complaint. Failure to do so could be used as evidence against you.

EMPLOYEE THEFT (FIDELITY BOND) **(Obtained Locally or through Lockton Risk Services)**

PROGRAM STRUCTURE

A master program is now administered by Lockton Risk Services and is underwritten by Travelers Insurance Company. Each fraternal unit Board of Officers is responsible for setting the limit of coverage that is appropriate based upon your total annual receipts from all sources, including membership dues, social quarters receipts and legal gaming revenue. The minimum amount of coverage that may be purchased under this program is \$5,000 and increases in increments of \$5,000. Lodges may opt to obtain coverage from a local insurance agent, using the above limits as a guideline.

PROGRAM COVERAGE

All Lodges, Service Centers, Chapters, Legions and Associations are covered for employee theft on a blanket, rather than a scheduled position basis and coverage extends to volunteers as well as employees. This means the bond coverage extends to all officers and house employees designated in Section 46.3 of The General Laws and any other person who is authorized in writing by the Board of Officers to handle funds. This program specifically insures the lodge against loss of money, securities or other property resulting from theft committed by an identified employee or volunteer, acting alone or in collusion with others. It is very important to note that the bond is cancelled as to any employee, immediately upon discovery by you of theft or any dishonest act committed by the employee, either before or after becoming employed by you.

The bond does not cover loss by burglary, theft by an outsider, or robbery. You should insure these hazards by adding the necessary endorsements to the property insurance you purchase locally or through the approved Moose Property Program which is also administered by Lockton. The bond also does not cover indirect losses including, but not limited to: loss of income you would have realized if there was no theft, payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss and damages such as fines, penalties and interest.

PROGRAM PARTICIPATION AND COSTS

The limits of coverage for all Lodges, Service Centers, Chapters, Legions and Associations were communicated to Lockton Risk Services prior to May 1, 2007. Since individual revenue amounts change from time to time, any fraternal unit that wishes to increase or decrease its bond limit must submit a written request to Lockton stating the limit desired. Fraternal units wishing to do so may instead purchase this required coverage from a local agent or broker. It is very important to note that employee theft coverage is not automatically included when you purchase

property coverage, but it may be added to some policies for an additional charge. Please contact Lockton at **1-866-836-3373** or your local agent/broker for additional information.

CLAIM / INCIDENT REPORTING

As soon as a potential loss is discovered, you should immediately contact S. Terry Davidson, Travelers Bond & Financial Products, at **573-334-6074**; fax number **866-837-3271** or by email sdavidso@travelers.com . Pursuant to Section 43.5 of The General Laws, the Board of Officers should also immediately convene the Auditing Committee to conduct a special audit of all lodge books and records.

Naturally, if the coverage was secured through a local insurance agent, it is that agent who should be contacted if a claim occurs.

When you report the claim, please inform the adjuster that the Audit Committee's report will be forwarded along with all supporting documentation.

Examples of supporting documents include, but are not limited to:

1. Bank account statements and deposit slips
2. Cancelled checks (copies of front and back)
3. Receipt ledger books
4. Invoices and statements from vendors
5. Meeting minutes showing expenditure authorization (or prohibition)
6. Signed employee receipt statements (for keys and start-up cash)
7. Signed and witnessed confession statements
8. Sworn statements of witnesses

YOU MUST FILE YOUR CLAIM WITHIN THE POLICY REPORTING PERIOD

The Travelers policy requires you to provide a sworn Proof of Loss form and all supporting documents within 180 days (six months) from the date of discovery. This allows them to pursue the responsible party for reimbursement within the time limit set by state/provincial law.

Note: If coverage was secured locally, you should check your policy's claims reporting provision or ask your independent agent what the terms and conditions are.

You should not discuss the matter outside of a closed board meeting and anyone with a conflict of interest should excuse themselves from that portion of the meeting. In addition, you should never accuse someone of theft without adequate proof. False accusations could result in a large defamation award against yourself and the lodge.

Finally, you should not accept partial repayment from the responsible party since this will void the bond.

PROPERTY / FIRE INSURANCE (BUILDING & CONTENTS)

(Obtained Locally or through Lockton Risk Services)

PROGRAM STRUCTURE

All Lodges are required to carry broad form multi-peril Replacement Cost coverage. Both the Building (if owned or if the Lodge is required to cover Building due to lease terms) and/or Lodge Business Personal Property shall be covered. Lockton Risk Services is the approved vendor for this program and they can be reached at **1-866-836-3373**. Coverage may also be secured through a local insurance agent. It is very important that the insurance you buy is underwritten by an "A" rated carrier with the financial ability to pay claims in the event of a widespread catastrophe.

PROGRAM COVERAGE

While coverage needs will likely vary from Lodge to Lodge, there are some key endorsements that should be considered including:

- Business Interruption and Extra Expenses
- Comprehensive Boiler and Machinery
- Broad Form Money and Securities (both on and off premises)
- Ordinance and Code Change coverage
- Back Up of Sewers and Drains
- Increased Theft Limits for Computers
- Earthquake
- Flood
- Fire

PROGRAM PARTICIPATION AND COST

All Lodges that own a building must insure it on a replacement cost basis regardless of whether they have a mortgage or not. Failure to do so could result in personal liability to the officers in the event of a loss. The cost of this insurance will vary depending upon location, local fire protection and crime ratings and deductible selected. A copy of your policy declarations page should be remitted to the Risk Management Department of Moose International along with the Annual Insurance Report you receive with the September Risk Pool invoice so we can assist you in the event your records are lost or destroyed.

CLAIM / INCIDENT REPORTING

Just as you would with any other insurance, you should report any incidents or claims as soon as practicable to your agent or broker. The policy conditions also require that you take steps after a loss to protect covered property from further loss. There are board-up services and restoration

companies that specialize in this work. If you have any questions or experience difficulties with a claim, please call Risk Management at **1-800-544-4407**.

WORKERS COMPENSATION (Through Hartford Insurance via Aon Risk Services)

PROGRAM STRUCTURE

- Lodges with facilities in Canada will purchase Workers Compensation insurance from their provincial fund.
- Lodges with facilities in the states of North Dakota, Ohio, Washington, West Virginia or Wyoming will purchase Workers' Compensation insurance from their state fund.
- All other U.S. lodges with facilities will purchase Workers Compensation insurance from The Hartford, which will underwrite and service all Moose lodges from its Select Customer Insurance Center in Charlotte, North Carolina. Aon Risk Services (**1-800-966-2708**) can assist you with obtaining this coverage.

PROGRAM COVERAGE

The Hartford policy will include two coverages:

1. Statutory Workers Compensation insurance following your state's laws;
2. Employers Liability insurance covering certain employee injuries that are not subject to the state's Workers Compensation Act.

PROGRAM PARTICIPATION AND COST

All Lodges with facilities, including those with zero payroll, are required to participate in this program. This is because statutory definitions of "employee" have become very broad and although you may not intend it, someone who performs services for your Lodge may be found to be your employee and be eligible for statutory benefits that fall outside of the scope of your other insurance. Remember, anyone who receives any form of compensation (not necessarily pay) from you could potentially be your employee.

The Hartford will issue policies, collect premiums, process audit adjustments and answer any questions you may have. In order to issue your policy, The Hartford may utilize payroll information provided by Moose International or Aon Risk Services, or The Hartford may contact the lodge directly. If you believe that a policy or other document you receive from The Hartford is incorrect or if you have any question relating to the policy or policy premium, you may telephone The Hartford at **1-888-253-4940**. Please have your policy number or account number handy when you call since that is needed to access your account information.

CLAIM / INCIDENT REPORTING – 1-800-327-3636

Every Workers Compensation loss should be reported within 24 hours of its happening to The Hartford at the number above. The Hartford will take the claim information by telephone and generate the accident report required by your state.

FREQUENTLY ASKED QUESTIONS-ALL COVERAGES

- Should we report an incident/injury even if the injured person says they have insurance?

Yes. (1) The Risk Pool insurance is primary over other insurance. Even if other insurance pays for medical bills related to the injury, they often contact Risk Management at a later time to recover their money. **(2)** The extent of a person's injuries may not become apparent until a later time. Risk Management needs to investigate the incident when the facts are fresh. This provides Risk Management the best opportunity to protect the Lodge's interests and keep Risk Pool costs down.

- Should we report an incident/injury if we feel the Lodge was **not** responsible?

Yes. Regardless of fault, the incident should be reported. Again, timely reporting allows Risk Management the best opportunity to protect Lodge's interests and keep Risk Pool costs down.

- Is reporting incidents to Risk Management optional? Can/should **we** pay the medical bills of a person injured on our property **instead of** reporting the injury to Risk management?

No. Any incident involving an injury that does or may involve medical expenses should be reported to Risk Management as soon as practical.

- Are we required to carry our Fidelity Bond coverage through Lockton Risk Services?

No. But Fraternal Units are required to carry Employee Theft coverage. Lockton Risk Services is an approved vendor that provides coverage that most closely mirrors the former self-insured program administered by Moose International, including the extended reporting period of 180 days. In addition, the rate per thousand dollars of coverage is very reasonable because we are purchasing as a group and no unit is excluded because of prior claims. You may also obtain competitive quotes from your local insurance agent.

- Should we contact the police if we suspect an employee or officer has embezzled funds?

Yes, you should contact local law enforcement authorities any time a suspected theft or crime occurs.

- Do we need liquor liability coverage if we only sell wine and beer?

Yes. For the purposes of insurance, liquor is considered to be **any** beverage that contains **any** amount of alcohol.

- We paid our Risk Pool assessment in full in May, why are we receiving bills in September and January?

Risk Pool installment invoices are automatically generated for all fraternal units three times per year. If you have already paid the full **annual** assessment amount, please disregard the other invoices. Please refer to your monthly statement of account for charges and credits.

SPECIAL EVENT COVERAGE REQUIREMENTS WHEN RENTING YOUR FRATERNAL PROPERTY OR FACILITIES

When renting your lodge, property, or facilities either for a fixed amount of money or gratis (no fee), you must make sure the requirements listed below are followed *when alcohol is being served during such rental.*

1. Special Event Coverage with limits of at least \$1,000,000.00 for General Liability **including** \$1,000,000.00 for Liquor Liability must be obtained prior to the event. Your Lodge or Service Center and Moose International, Inc. **must** be named as additional Insureds under this coverage. You must be provided with proof of this coverage prior to the event.

Failure to follow these requirements will result in there being no insurance coverage for you for any claims arising out of the event, gathering, party, reunion, reception, or other activity for which you rented your Lodge, property, or facilities.

These requirements apply regardless of whether or not you are renting to a Moose member. All other requirements, including requirements placed by the General Governor's office, remain in full effect.

Special Event Coverage may be purchased through your local agent or through Aon. (Please see *Special Event Coverage Availability* on pages 16 and 17 for further information.)

FREQUENTLY ASKED QUESTIONS REGARDING THE REQUIREMENTS WHEN RENTING FRATERNAL PROPERTY OR FACILITIES

1. Do these requirements apply if there is no alcohol being served?

No. These requirements only apply if alcohol is being served at the event during the rental period.

2. Our facilities are used by a Moose Legion, WOTM Chapter, or Moose Association at times. Do the requirements apply to these functions?

These requirements do not apply to fraternal units renting or utilizing your property if the property is being used for a strictly Moose function.

3. Do these requirements apply to contracts to rent our property that were in place prior to the publication of the requirements?

Any written contract signed prior to May 1, 2008 is not subject to these requirements. However, if you have a loss that arises from a rental with a contract signed prior to May 1, 2008, you must provide a copy of the signed contract to Gallagher-Bassett when reporting this claim.

4. Can we, the Lodge, obtain the needed insurance for the person or party to whom we are renting our property?

Yes. If you wish to place the insurance coverage for the person or party renting your property and roll the cost of the insurance into your rental fee, you may do this. However, you need to make sure that your Lodge, Moose International, Inc., and the renter are named as Insureds on the policy. In many cases, it may be simpler for the Lodge to purchase this coverage.

5. We sometimes rent our facilities to the Police Department or Fire Department for their activities. These departments have their own insurance. Does their insurance satisfy these requirements?

Such insurance is *only* acceptable if: 1) It carries \$1,000,000.00 in coverage for liquor liability; 2) The policy is a primary policy and does not contain a clause stating that if another policy is primary they will share the liability and expenses equally; and 3) There is a rider to the policy naming your Lodge and Moose International, Inc. as Additional Insureds for the purposes of the event or activity.

If you have any doubt that the insurance meets the above criteria, please contact the Risk Management Department at 1-800-544-4407.

6. Can a person's homeowner's insurance be used instead of purchasing Special Event Insurance?

No. Homeowner's insurance does not contain Liquor Liability/Dram Shop Coverage and will not provide coverage for the Lodge or Moose International, Inc. Homeowner's insurance only covers Host Liquor Liability for alcohol served in one's home to one's guests.

7. Where can we purchase Special Event Insurance?

You may purchase this coverage through Aon at www.Aonline.com. Please refer to the section of this booklet titled *Special Event Coverage Availability* for further information as to how to access this website.

You also may contact your local agent or broker in order to obtain this coverage. Please remember that you will need to purchase Special Event Coverage that includes Liquor Liability/Dram Shop coverage and not Host Liquor Liability. This coverage must be primary and cannot contain a clause stating that if another policy is primary they will share liability and expenses equally.

8. What are the required limits for the Special Event Insurance?

The Special Event Insurance should carry limits of \$1,000,000 general liability including coverage for liquor liability. This means that the \$1,000,000 general liability coverage also covers liquor liability claims up to \$1,000,000. This limit is per event and not aggregate.

9. Can we rent our facilities to non-members?

No. The General Laws prohibit renting to non-members without an approved dispensation from the General Governor.

10. Who should we contact if we still have questions about these requirements?

Please contact the Risk Management Department at 1-800-544-4407.

SPECIAL EVENT COVERAGE AVAILABILITY

Special Event Insurance Coverage is available for our Fraternal Units in The United States through AON effective August 1, 2008. (Coverage for Canadian Fraternal Units should be available in the near future.)

A dedicated website has been created for the Special Event Insurance required of Fraternal Units renting their premises to third-parties (including members) or hosting fund-raisers and other Event where alcohol will be sold or served.

The cost is a flat \$156.00 (premium plus premium tax) per event for Event with up to 1,000 guests expected. The limits of liability are \$1,000,000 general liability including liquor liability/dram shop.

This website consists of a single instruction page plus a one-page “application” that asks only:

- Name of Lodge, Chapter, Association or Legion
- Lodge or Unit Number
- Address
- Telephone Number
- Date and Time of Scheduled Event
- Brief Description of Event (i.e. anniversary, birthday or other party)
- Estimated Number of Guests
- Name(s) of renters, or hosts

Once the above information is input, you will merely click on the “Submit” button to get a confirmation that your request has been received. To assure that coverage is effected, you must mail your check for the \$156.00 the same day as you complete and submit the application, or if the application is completed and submitted after business hours, the next business day. Instructions for the Payee and mailing of your check are found on the site.

All appropriate parties (Moose International, Inc. and the renters/hosts) will be Additional Insureds, with the Fraternal Unit being the primary Named Insured.

To prepare your access to this site, please go online now (even if you do not have an event planned at this time) and set the following as trusted sites:

- a. Open Internet Browser, under Tools, Internet Options.....
- b. Click on Security tab, click Trusted Sites then Site and.....
Enter https://*.aon.com (click Add)
Enter https://*.aonline-aon.com (click Add, then OK)
- c. Browser should be closed and reopened for setting adjustment to take.

If you run into difficulty with the above, please call **1-800-953-4576** to reach AonLine Client Services for assistance.

YOU WILL ONLY HAVE TO DO THIS ONE TIME TO THEN BE ABLE TO ACCESS YOUR DEDICATED SITE IN THE FUTURE.

Once the above has been done, each time you need to access the online application site:

- a. Enter **aonline.aon.com**
- b. Enter your User ID which is **FraternalOrder**
- c. Enter your Password which is **Mooseheart#1**

If you have questions about the insurance itself, please call **1-800-966-2708** to reach the Moose Lodge Service Desk at Aon in Chicago.

CONTACTS

Topic	Contact	Phone Number
Report injuries or property damage sustained on lodge property or because of lodge operations:	Gallagher-Bassett	877-5MOOSE5
Report of Directors & Officers Claims:	Risk Management	800-544-4407
Report employee injuries(non-monopolistic states)	The Hartford	800-327-3636
Renewing liquor license and need insurance information:	Risk Management	800-544-4407
Report discovered employee theft:	Travelers (or local agent/insurer)	573-334-6074 Travelers
Report property damage from fire, lightning, windstorm, hail, etc.:	Lockton (or local carrier)	866-836-3373 Lockton
Requesting Certificates of Insurance:	Risk Management	800-544-4407
Submitting alcohol server certifications:	Risk Management	Fax: 630-859-6624
To verify if Risk Pool payment was received:	Finance Department	630-966-2203
To check payroll amount used to figure Workers' Compensation premium:	Aon Risk Services	800-966-2708