

FROM: Erica Oberg, CFO

Updated March 2022

RE: **LOCAL LODGE LIABILITY COVERAGE**

This letter describes the insurance coverage in effect for the Local, District, and International Lodges. Any time an event occurs at your lodge where someone is injured, or you have any specific problem, you should immediately contact Erica Oberg at (800) 945-8851 at the International Headquarters and the carrier's claim reporting hotline at (877) 262-2727 so that you can discuss specifically what coverages might be available to your local lodge under the policy. Failure of your lodge to contact Headquarters and the carrier immediately can jeopardize coverage.

**1. Who writes the coverage?**

The coverage is written with multiple carriers and this placement is coordinated through the Aon Risk Services Central, 5600 West 83rd Street, 8200 Tower, Suite 1100 Minneapolis, MN 55437, telephone: 952-886-8000.

**2. Who is covered by the policy?**

The policy covers the International Lodge, the District Lodges, and the Local Lodges of Sons of Norway. It also covers the members of such lodges for liability in the event of negligence by the lodges in sponsoring, hosting, or providing lodge activities.

**3. What is covered?**

In essence, we have a contract which covers claims where negligence is established against the lodge arising out of a lodge activity which results in bodily injury or property damage to a third party. Lodge members are considered insureds and are not a third party(ies). There are some exclusions.

**4. What is excluded?**

a. Fireworks:

The policy does not cover bodily injury or property damage arising out of any fireworks display conducted or sponsored by a lodge or member of a lodge.

b. Watercraft owned:

The policy does not cover liability as a result of watercraft owned by a lodge or member of a lodge. Optional limited coverage is available on request, however, such optional coverage would be provided only while a boat is parked or in storage. There is no

coverage while a boat is “in motion” such as while in the water or being towed on a trailer.

c. Intentional Acts:

The policy does not cover bodily injury or property damage which is intentionally inflicted. This would basically exclude, among other things, assault and battery.

d. Vehicles:

If any lodge owns a vehicle and it is used in connection with lodge activities, there is no coverage. If a lodge member is using his or her automobile for a lodge event, the insurance coverage on that vehicle would be the primary coverage for the owner or driver of the vehicle.

e. Worker's Compensation:

There is no coverage under the policy for employees of the lodge for injuries or disease resulting in the course and scope of such employment by the lodge. If a lodge member (volunteer) is injured while performing service to the lodge, please contact Erica Oberg at the International Headquarters at (800) 945-8851 or (612) 821-4602.

f. Pollution:

All general liability policies today, including Sons of Norway's, contain a pollution exclusion, which means the policy will not cover any claim related to causing or aggravating a pollution problem.

g. Lodge-Owned Real Estate:

This policy does not cover lodge-owned real estate. This policy does cover lodge events which occur at the lodge-owned real estate, but this policy does NOT provide fire, extended or other coverage to non-lodge events or to the lodge building itself.

h. Communicable disease

Carriers (including Sons of Norway's) have added a communicable disease exclusion to coverage, which means the policy will not cover any claim related to causing or aggravating a communicable disease.

**5. What about liquor liability coverage?**

Liquor liability coverage is provided through a separate liability policy. There are shared limits among all lodges of \$1 million per incident; \$1 million aggregate. This insurance is not intended to cover lodges that have bars or commercial establishments involved in the sale of alcohol. Such lodges must have separate coverage for these commercial activities. This is coverage for lodge events that have or serve alcohol including beer or wine.

**6. What are the lodge liability limits?**

The policy limit on the lodge liability program is \$1 million per occurrence and \$3 million aggregate. Sons of Norway also maintains umbrella coverage for loss in excess of the base policy.

**7. What about lawyer fees and court costs?**

The policy provides legal counsel, covers defense costs and court costs incurred by the carrier in handling a claim.

It is urgent that the lodge contact Erica Oberg at (800) 945-8851 or (612) 821- 4602 and the carrier's claim reporting hotline at (877) 262-2727 so that you can discuss specifically what coverages might be available to your local lodge under the policy immediately when there is any accident or other event which causes injury or harm to any person at a lodge event.

**8. What about exempting lodges that own their own buildings?**

We have not been successful in securing coverage that allows Sons of Norway lodges that own buildings to be exempt from the local lodge insurance just because they have a building which has other coverage. There are a number of reasons for this including the group basis for our premium. Kristina Parsons from Aon's Small Commercial Insurance Advisor. Kristina from Aon will be happy to review your building insurance to see if there is any way to save premium for you. Her phone number is (847) 416-8496 and her email address is [kristina.parsons@aoncover.com](mailto:kristina.parsons@aoncover.com).

**9. What about camp coverage?**

Because Sons of Norway does not have an ownership interest in any camp, we are unable to secure coverage. You may contact Gary Shipp and Marianne Schmidt at AON for a quote, or explore local coverage. Their phone numbers are (952) 807-0694 and (952) 807-0692.