Adventist Risk Management, Inc.®

PROTECTING Your Ministry













Our ministry is to *protect* your ministry.

OUR MISSION STATEMENT:

Protecting people and resources through compassionate service and value-driven solutions.

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Glossary



Adjuster
An independent representative of the insurer who seeks to determine the extent of the insurer's liability for loss when a claim is submitted.

Captive Insurance Company
A licensed insurance company that is owned by a parent organisation and insures its parent and affiliated companies.

Damage
Harm or injury resulting in loss of value or usefulness.

Examiner
The representative of an insurance company assigned to review claims against an insurance policy.

Excess (Deductible)
Amount of loss that the insured incurs before the insurance can pay.

Exclusions
A provision within an insurance policy that eliminates coverage for certain acts, property, types of damage, or locations.

Limits
The maximum financial amount your insurer will pay to settle your claims.

Mitigate
To make less severe or serious, often with professional help.

Policy
The written insurance contract, including all clauses, riders, endorsements, and attached papers.

Sublimit
The limit of how much can be paid on a specific type of loss.

Wear and Tear
The normal, expected deterioration of an insured object (wear and tear is excluded from insurance policy coverage because it is inevitable).

As local ministry leaders,

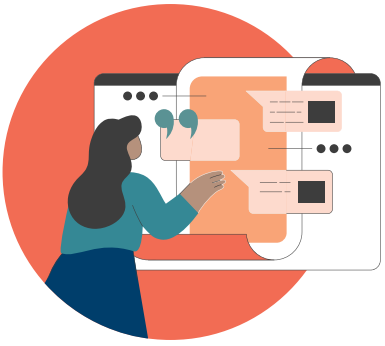
you are on front-lines of official Seventh-day Adventist® ministries. You have a partner in us to face the challenges that come your way.

We have been supporting ministries like yours for over 85 years. Our team is comprised of dedicated Adventists who are knowledgeable about our church's structure and qualified to handle the legal issues and insurance needs of our church's ministries.



Our Story

The Seventh-day Adventist® Church started amid a growing realisation that the Second Coming of Jesus is ever nearer.





Since its beginning, God has used our leaders to organize His church and multiply His servants' work according to His Spirit.

Today, the Seventh-day Adventist Church numbers over 22 million members and leads ministries with over 95,000 local churches and education systems, hospitals, publishing houses, media production houses, and more. This organised structure has allowed us to be proactive in ministry, funding missionaries, Bible workers, and new ministry initiatives to reach the world with God's love.



One essential way God blessed His work is through leaders who have carefully considered and managed risk, minimising harm to our members and resources. In the early 20th century, fires in Battle Creek, Michigan left the Adventist Church with significant losses. Commercial insurance didn't cover all the damages. In 1936, a lay member, William Benjamin, proposed an innovative solution: internalising risk management within the Adventist Church to save money and support its mission. This led to the creation of what is now called Adventist Risk Management (ARM), which operates the Church's captive insurance company owned by its insureds.



WILLIAM A. BENJAMIN

By 1862, seven local conferences emerged and by 1918, all four administrative levels were established. This constituency-driven, denominational structure facilitates coordination and oversight in matters of corporate structure, governance, and policy. It helps the Adventist Church advance its mission in a consistent, safe, and effective manner.

The world is constantly changing, presenting new challenges to our ministries. Still, we are encouraged that facing challenges is how God will grow our character.

"Consider it pure joy, my brothers and sisters, whenever you face trials of many kinds, because you know that the testing of your faith produces perseverance. Let perseverance finish its work so that you may be mature and complete, not lacking anything" (James 1:2–4).

One of the most important aspects of our mission is that we see our work as a ministry in addition to a service. We are here to discuss and advise as your ministry considers new opportunities or faces challenges, addressing the ministry as a whole. We'll do everything in our power to ensure the products and services we have available are used in the best way possible.

A Financial Instrument of the Church



Unlike commercial insurance services, ARM understands your ministry because we are a ministry.

We are a part of the Adventist Church. The main advantage of having a risk management company and an insurance company owned by the church is that insurance policies can be customised—within the limits of the law and accepted industry standards—for the unique mission and activities of your ministries.

Also, while funds paid to other commercial insurance companies go to pay shareholders and bonuses, profits at the church's insurance company are used to pay claims for Adventist Church organisations around the world. They are also used to strengthen the financial position of the church's insurance company which allows it to take on additional risk as the world church grows.

Q If the church owns its own insurance company, does that mean any incident is covered by insurance?

A No. Insurance is a regulated industry that works on the premise of large numbers used to manage specific and measurable risks. That means there are coverage limits and exclusions that apply to insurance policies. They do not work like an emergency fund. Instead, they provide a very important mechanism to pay for claims according to the insurance policy. The goal is to return the insured or claimant to the same or like condition and quality within the limits of the policy.

The goal of risk management in general and insurance in particular is to control the volatility of losses.

Your Coverage Solutions



ARM serves as the management company of the Seventh-day Adventist® Church's captive insurance company, **Gencon Insurance Company of Vermont,** where it underwrites many of the primary risks for the Adventist Church.

ARM is a brokerage which places risks—especially those not well suited for the captive—into the commercial insurance marketplace. ARM also provides administrative services, such as the African Survivor benefit fund for the 3 participating divisions in Africa.

Here's what makes our approach to transferring risk and writing insurance solutions unique:

1. Instead of purchasing individual policies for different properties and ministries, **we ensure you are covered across your Division/Union/ Conference.** In many cases, local churches have no legal status and would be unable to take out insurance without their Conference in any event.

2. **We eliminate gaps and overlaps in coverage, providing a wholistic approach** to covering our organised denomination, which is interrelated in its structure.

3. **We meet or exceed church policy insurance requirements.**

Your organisation's primary coverage is through a **Commercial Package Policy**, which includes **Commercial Property, General Liability,** and **Executive Risk** and, in some cases, **Healthcare Providers Liability.** Additional insurance products, such as **Cyber Liability**, and **Employers' Liability**, are part of the normal suite of coverages chosen by our clients.

GENCON
Insurance Company of Vermont

GICV is a Vermont (USA) based captive insurer with assets of more than $150 million and annual gross premiums exceeding $120 million. GICV insures over $14 billion in property values, as well as a multitude of liabilities and risks for church organizations worldwide.

The Commercial Package Policy



General Liability



General Liability insurance pays the sums that the insured is legally obligated to pay, or that the insurance company has agreed to pay.

This payout covers injuries or damages incurred by third parties because of the insured's negligence. The General Liability policy that ARM provides covers bodily injury, personal injury, and damage to property belonging to others, if it occurs on the insured's premises or resulting from the insured's operations. In other jurisdictions, this policy may be known as Public Liability; however, General Liability is typically a more comprehensive coverage than public liability.

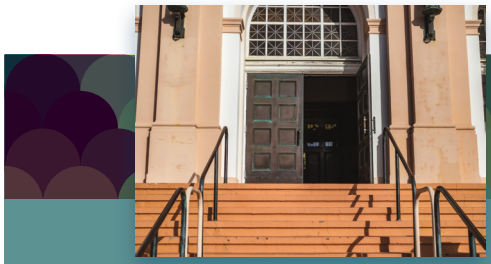
- Bodily injury, property damage—no aggregate on the primary
- Pastoral counseling
- Incidental medical malpractice
- Broadcasters and publishers liability ($1 million aggregate)
- Gymnastics and other activities available
- Unmanned aircraft (up to 4.4 lbs)
- Please note that Medical Payments for students is excluded (this should be covered by a student accident policy.)

In the fictional **example**, because of the church's possible negligence in maintaining the railing, the General Liability policy would be used to help cover the costs associated with Mary's bodily injury as well as the costs from a lawsuit.

The main goal with any hazard is accident prevention. To this end, certain types of high-risk activities are excluded by your insurance policy. If your organisation is considering sponsoring these types of activities, please contact your Division/Union/Conference office prior to the activity to add the necessary insurance coverage. You can also find many safety resources tailored for your ministries on our website.

Examples of exclusions:

- Fireworks
- Firearms and tasers
- Bungee jumping
- ATV vehicles (two-or three-wheeled)
- Trampolines (or other forms of gymnastic rebounding equipment)
- Climbing walls
- Rappelling and ropes courses (more than six feet off the ground)



Example

Mary is 84 years old. She walked out of church on a bright Sabbath afternoon as she had done countless times in the past. She walked down the same aisle, and she used the same exit door, the same stairs, and the same railing that she had used for many years. This time there was an unfortunate difference.

Mary lost her balance and because the railing leading down the stairs had not been secured, it had become progressively looser with every week of use. Some people may have noticed, but the problem had been left uncared for week after week. When Mary leaned on the support to catch herself, the railing gave way, causing Mary to fall 15 stairs and causing her serious injury.

Commercial Property



Property insurance pays the insured for covered loss or damage to physical property, such as buildings, contents, equipment, and inventories, as scheduled on the insurance policy.

Losses such as fire, hail, lightning, wind, frozen pipes, vandalism, or theft are some of the covered perils on a property insurance policy. Please note the following features of our policies:

- Buildings and contents are valued at replacement value – a benefit of this is that ARM pays 100% of the claim up to the value insured of the individual building damaged, whereas some insurance policies will operate an average clause (i.e. if the property is only insured at 50% of the correct value, only 50% of the claim will be paid)
- Debris removal
- Fire department service charge
- Pollutant cleanup and removal
- Preservation of property
- Cover for personal property of others
- Off premises contents extension—up to $/€/£10,000
- Newly acquired or constructed property, $250,000 for 30 days or €500,000 for 180 days depending on your policy
- Crime cover of 30% of contents and or electronic equipment included in policy—min $/€/£3,000 max $/€/£100,000
- Business Income and Extra Expense—10% of building and contents limit up to maximum of $/€/£100,000

The Property policy contains exclusions and limits as well as a deductible (or excess). The deductible is the amount the insured incurs before insurance can pay.

Examples of exclusions:

- Foundation of buildings
- Animals (unless scheduled)
- Land
- Underground pipes, flues, or drains.
- War

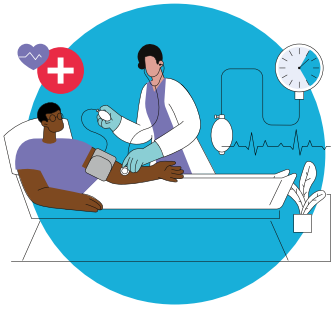


Example

Pastor Thompson arrives at church early one Sabbath morning after a night of storms. As he pulls into the car park, he sees that high winds have knocked a tree limb onto the roof of the church building. Upon further inspection, he finds that the limb fell through the roof and into the sanctuary. Rain has been pouring inside throughout most of the night.

In this scenario, the Property Insurance Policy would work to pay for the cleanup and repair of the roof as well as the resulting water damage to the interior.

Healthcare Providers Professional Liability



This insurance policy is designed to provide the insured liability and legal expense protection against covered claims due to medical malpractice that occurs in healthcare settings e.g. hospitals, clinics and care homes.

This policy is underwritten on a claims-made basis so that current limits and policy language are available to respond to today's claims. The retroactive date on the policy is 1st July 2002.

Executive Risk

Serving in a leadership position comes with its own occupational exposures. These risks might include financial, personnel, or legal situations. It is important to ensure that you and your leadership team are protected from risks inside and outside of your ministry. Federal Insurance Company provides Executive Risk Protection for the General Conference of Seventh-day Adventists and its affiliated and subsidiary organisations



Additional Primary Policies



(Available on request)



Cyber Liability

Cyber Liability Insurance covers your equipment and member information in the event of data hacks, cyber ransom, virus attacks, vandalism, or system sabotage. Protect your ministry and your members' information now and prevent loss later.



Employee Practices and Sexual Misconduct Liability

This insurance policy is designed to provide the insured liability and legal expense protection against covered claims that arise due to sexual molestation, sexual misconduct, discrimination, wrongful termination, or sexual harassment.

"It is important to ensure that you and your leadership team are protected from risks inside and outside of your ministry."

Insurance Policies Available on a Local or As-Needed Basis



Activities Accident

Activities Accident insurance provides Accident and Medical coverage and Accidental Death and Dismemberment coverage for participating organisations for ministry trips and activities. This is a per-event policy to purchase as needed.

Pathfinder/Youth

This policy provides accident and medical coverage for members of a participating Pathfinder/Youth Club group activity when under the direct supervision of the duly designated leader. This is an applied-for annual policy which runs from 1st April to 31st March each year.

Short-Term Travel

Short-Term Travel insurance protects missionaries and volunteers traveling on Adventist Church trips as well as church employees or retirees on business trips or vacations. If you encounter a medical emergency, loss of personal property, security threat, or loss of life, this policy is available to minimise your financial loss. This is a per-trip event to purchase as needed.

- Trip Cancellation/Interruption
- Medical Protection
  - > Accident Medical Expense
  - > Sickness Medical Expense
- Emergency Medical Evacuation
- Repatriation of Remains
- Accidental Death and Dismemberment
- Personal Effects/Baggage
- Travel Assistance

You can access Short Term Travel insurance at **adventistrisk.org**, where you can:

- purchase insurance coverage.
- print proof-of-coverage identification cards.
- print tips on how to prepare before, and during your trip.
- obtain policy information and documentation.

Volunteer Labor

This coverage is typically purchased by your Conference as a blanket policy to cover all volunteers that are actively engaged in a church-approved volunteering activity. It can also be purchased on a daily basis if blanket coverage has not been purchased. This policy provides cover for Accidental Death and Dismemberment, medical, and dental, as well as lost earnings that may have been caused as a direct result of the volunteering accident.

Our Claims Philosophy



The ARM team works to see your ministry restored after a loss,

letting you focus on what matters most: **MISSION.**

It is our goal to make sure your ministry experiences as little interruption as possible. Closing your claim expeditiously will incur the least financial burden to both your ministry and the Adventist world church organisation. Depending on the policy, we may work with outside adjusters and counsel who are able to assess damages on site and work within the legal requirements of your local jurisdiction.

Contact our claims professionals at **claims@adventistrisk.org**. Download claims forms on our website at **adventistrisk.org**.



Claims Reporting



24/7 Hotline: +1 (888) 951-4276 (press 2)
Email: claims@adventistrisk.org
Claim Forms: Available at adventistrisk.org

REPORT CLAIMS IMMEDIATELY

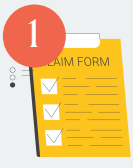
Provide as much information as you can, but do not delay filing your claim because you are waiting on additional information.

DUTY TO PROTECT

You have a duty to protect your property. If you have a situation where the damage from a loss may cause additional risk or damage, it is important to mitigate the loss. For example, in the case of broken pipes, you may need to turn off the water and call a cleanup company. Do not hesitate to take care of your property. It will need to be done whether you have insurance coverage or not. Waiting will only make the problem worse.

How the Claims Process Works

Your claims examiner will help you understand the process in greater detail. However, you should follow this model:



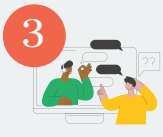
REPORT A CLAIM

In your claim filed with ARM, provide and verify as much information as possible. The claim examiner will help you determine any additional information as necessary.



INVESTIGATION

The claims examiner, often with the help of an on-site adjuster, will conduct the investigation.



RESULT

When the investigation is complete, the claims examiner will relay the result to you or the designated contact person. The claim will be accepted, partially paid, or denied. This is determined by the terms of the insurance policy, the (excess) deductible, or, in some cases, a sublimit that applies to a certain type of loss.



PAYMENT

ARM will issue a payment for the loss.

- For property losses, the payment goes to the insured (Division/Union/Conference).
- For personal injury losses, the payment will go either to the claimant or to the provider, according to the policy.



DEDUCTIBLES

Claims are paid based on the insurance policy. Most insurance policies include a deductible (excess), which is the amount you are responsible for before your coverage begins. Various types of losses may have different deductible (excess) amounts.

Q Should I hire a public adjuster to help with my claim?

A At ARM, we believe that a public adjuster is not necessary when you have a claim with us. A public adjuster is useful when trust has broken down between an insured and the insurer, or when the claim is larger than the insured can manage from their side. A public adjuster may promise to get you more than you would receive otherwise, which may sound tempting; however, remember that ARM is already interested in getting you everything the policy will allow. For the public adjuster to be paid, their fee is usually a percentage of the claim, which is money you will not receive, but it will count against your loss experience (which further increases future premiums). Please work directly with us, and if you have concerns or complaints, let us know. We have appeals processes and our team is happy to sit down and work through the issues with you.



Partner With Us to Prevent Loss



To prevent loss,

we want to assist your organisation in developing an active stewardship program. We've updated our website with helpful risk management and loss prevention resources for your point of ministry.

An effective and proactive safety program at your church or school can be done with a few simple steps. Running an effective safety program doesn't have to be difficult and it doesn't have to take a great deal of time. ARM has prepared tools and education materials to assist you.



Partner With Us



Whether your ministry is large or small, you can successfully operate a safety program that is neither time- nor energy-intensive.

You don't need a specialised degree. The reward for your efforts is the knowledge that you have possibly prevented injury or even saved a life. Your work may also save time, money, and resources that can be used to share the story of Jesus with others.

There are four essential elements of your safety program:

1 / Evaluation

Several simple tools for your use in the evaluation process are available on our website, **adventistrisk.org**. The *Self-Inspection Form and Guide* and the *Seasonal Maintenance Forms* are easy-to-use tools. The digital forms can be completed on your computer or tablet. You also have the option to print it and fill it out manually.

The *Self-Inspection Form* walks you through the various parts of a church, from the mothers' room to the sanctuary. It will show you how to look for potential hazards or maintenance issues. Conducting a self-inspection at least once a year will give you a good idea of the type of risks your church might be facing. This information will help your organisation's board prioritise these issues.

The length of the Inspection will depend on the size and complexity of your church or school building. Our professional risk control specialists find that even after conducting a thorough inspection of a facility, the next year they will find areas of concern that they missed before in addition to new challenges. This demonstrates the importance of regular inspections and maintenance.

2 / Emergency Planning

Emergency planning is incredibly important for your church or school. To create an emergency plan, you can use the resources on our website, **adventistrisk.org**. Pay special attention to emergency planning sections within each ministry resources page. These sections will house the emergency planning resources you need to help you get started in creating your plan. These resources are not one-size-fits-all situations. The real value of an emergency plan is in the customisation of the plan for your local church or school.

Building your emergency plan may be one of the more time-intensive parts of a safety program, but it is well worth the effort. Rather than trying to do it all on your own over a weekend, work with a capable team and develop a systematic plan.

Don't forget that the last part of emergency planning may be the most important, and that is to practice your plan through safety drills.

3 / Risk Control and Maintenance

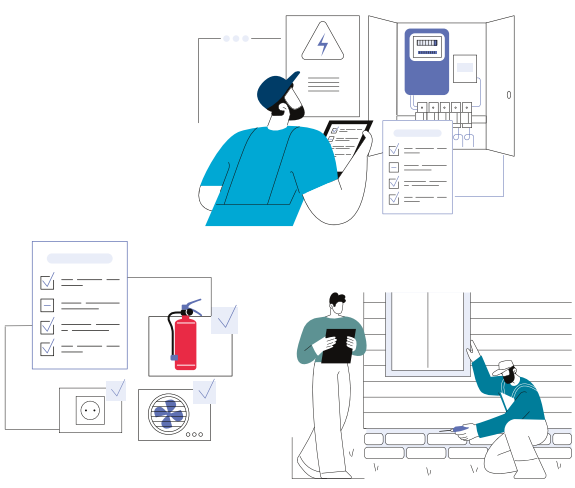
The most frequent property claim received by ARM is related to water damage. The most common casualty claim is a slip and fall injury. Both issues typically stem from maintenance issues, such as torn carpeting or a leaky baptismal tank.

Many of the risks and hazards you will want to address are maintenance issues. Work closely with the person responsible for the care and upkeep of your church or school. Conducting seasonal maintenance on different parts of your building—including gutters, walkways, and roofing—will play a big part in understanding and preventing the property and casualty risks that your ministry may be facing.

4 / Stay Informed

Part of running a successful safety program for your ministry is to continually educate yourself. ARM provides resources on our website, **adventistrisk.org**, on safety topics relevant to your ministry. We also conduct webinars on safety topics specifically designed for safety at the local church and school. Our team of risk management professionals is always developing new tools and materials to make sure you stay informed.

We encourage you to take advantage of these opportunities. Share the information with your deacons, church leadership, and ministry leaders. The safety officer can take a real leadership role in building a safety culture in your ministry. Your ministry can be a light in the community showing that you are a group of people who care about the physical and spiritual well-being of others.





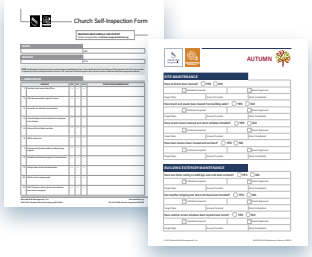
Risk Management Education

Did you know ARM offers free risk management and safety resources for you?





Live and recorded **webinars** hosted by experts on safety and risk management topics specific to the needs of the Adventist® Church.



Digital tools, including Self-Inspection and Seasonal Maintenance forms to help churches easily develop and operate a maintenance program.



Curated materials on child protection, school safety, protection of Pathfinders, church safety, and camp safety.



Experts available to speak on risk and insurance topics.

What We Have to Offer You

Professional Team

Our team of **trained risk management professionals** hold many of the highest industry-recognised designations and licenses. The team is comprised of dedicated Adventists who are knowledgeable about the Adventist Church structure, legal issues, and the insurance needs of our church's ministries.



Relationship

As part of the Seventh-day Adventist family, **our team is invested in the church's mission and success**. We are here to discuss and advise as your ministry considers new ministry opportunities or faces challenges that come from time to time. We will do everything in our power to ensure the products and services we have available are used to their maximum effect for your ministry.

Financial Resources

The church will have risks and losses regardless of ARM. The advantage of having a financial instrument that is owned by the church is that, within the limits of the law and accepted industry standards, **insurance policies can be customised for the unique mission and activities of the church**. Additionally, it should be noted that insurance premiums that would otherwise go to pay for the claims, expenses, and bonuses of commercial insurance carriers go only, in ARM, to pay for Seventh-day Adventist® Church claims and expenses.

Customised Coverage

Our products are tailored to meet the unique needs of Adventist organisations and personalised when possible, to cover the risks affecting each ministry.

Free Resources

We stay alert to risks that could affect your ministry and regularly create free safety resources to educate and prevent costly and damaging accidents before they happen.

More than 85 Years of Service

We have provided **timely, real-world insurance and innovative risk management solutions** for Seventh-day Adventist® Church ministries since 1936.

Notes

Our Ministry is to Protect Your Ministry

Who We Are

Adventist Risk Management®, Inc. is the official insurance and risk management company for the Seventh-day Adventist Church and Adventist ministries worldwide. In addition to real-world insurance products and innovative risk management solutions for minimising risk within Adventist ministries at all levels, we offer best practice solutions to eliminate the risk of costly accidents.

Our Purpose

Our mission is to protect the ministries of the Seventh-day Adventist world church. We don't view what we do as just a business. Our ministry is to protect your ministry.

This brochure is based upon the general limits, excess (deductibles), and terms and conditions shown on the policy and may vary from the actual policy. Please review the policy carefully. All coverage descriptions are subject to the policy provisions.

The information contained here is based on general risk management principles and does not constitute legal advice or an endorsement of any products, services, or course of action. Risk management planning will vary with each organisation.



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