

# Insurance Basics for Member's Parents

MJ Sorority Division



**MJ INSURANCE**  
SORORITY DIVISION

# 100,000 property claims annually



House  
Corporation/  
Chapter



©MJ Sorority, 2011

Member

# What does the [Fraternity's/Sorority's] insurance program cover?



The property that the [Fraternity/Sorority] owns at the chapter house.



# How should you protect your and your child's property while they are away at college?



Review your homeowner's policy and/or check with your local agent.

# Homeowner's Policy: Industry Standard Language

- A student in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
  - (1) 24 and your relative; or
  - (2) 21 and in your care of the care of a person described above (there have been a number of states that have enacted legislation that extends the age limit beyond 21 years, so be sure to verify the age limit in your insurance policy language)

# Other issues to consider re: homeowner's policies

- ✓ College students are typically covered for ten percent of the contents limit under their parent's homeowner's policy.
- ✓ Under the standard homeowner's policy, the contents coverage only provides named perils coverage, which means that losses would be covered only if they arise from causes of loss listed in the policy. We recommend that you verify with your insurance agent that the policy provides all-risk coverage.
- ✓ If a student chooses to declare independent status, perhaps for loan purposes, they would likely not be covered under their parent's homeowner's policy.





If you would prefer not to rely on your homeowner's insurance or you do not have access to homeowner's insurance for whatever reason, we highly encourage you or your daughter to purchase renter's insurance, which will cover her personal property and is very affordable.

For example, National Student Services, Inc. <<http://www.nssi.com>>, the nationwide leader in college student property insurance, offers \$10,000 worth of coverage with a \$50 deductible for about \$200 in annual premium.

# WHAT ABOUT LIABILITY COVERAGE?

The liability insurance is third-party coverage, meaning that it protects the insureds (the Fraternity/Sorority, House Corporation, Chapter, Members, Volunteers, etc.) should they be named in a lawsuit from a third-party .



Let's say your daughter serves as the Chapter President and plans a party for her chapter.



At the party, a fight breaks out and several people are injured.

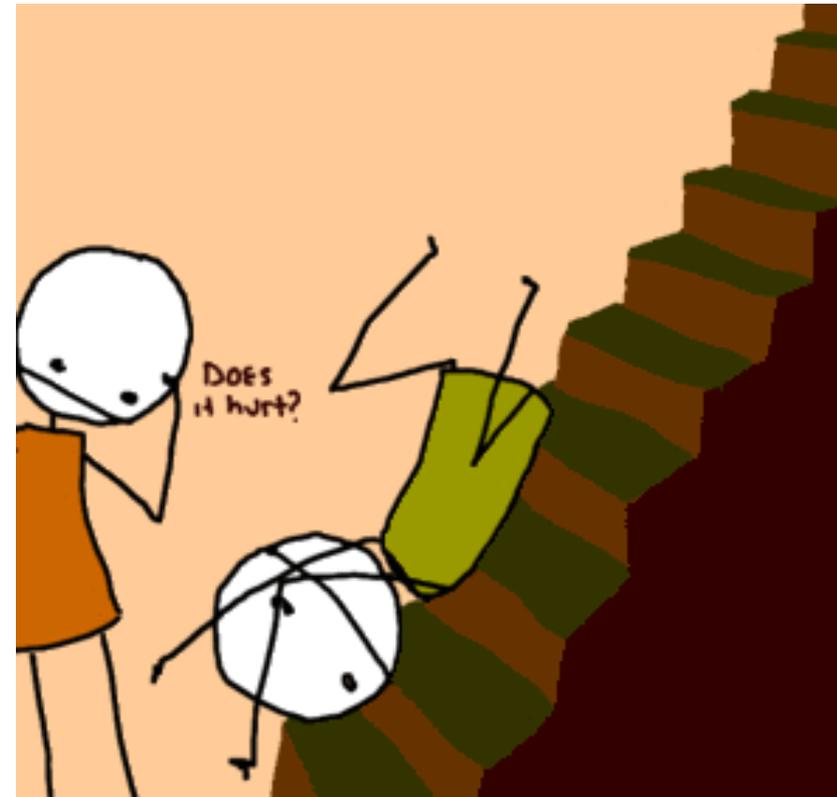


The venue where the party was held, as well as the injured parties, sue your daughter, the [Sorority/Fraternity], the chapter, and many others. So long as your daughter was following the rules and policies of the [Sorority/Fraternity], she would be protected by the organization's insurance program.

# WHAT IF MY DAUGHTER IS INJURED AT A SORORITY EVENT, THE CHAPTER HOUSE, ETC.?

If your daughter is injured at a sorority-event or at the chapter house, she will need to rely on her own personal medical insurance to cover the costs of her injuries. It is helpful to think of your own homeowner's coverage. If you were injured falling down the stairs of your own home, you would not expect your homeowner's policy to pay for your medical costs. Similarly, the insurance program does protect members and other named insureds from claims arising from a third-party, but it does not pay for medical costs arising out of a personal injury to a member.

©MJ Sorority, 2011



# What about automobile insurance?



- ✓ Discuss with your local agent how best to provide coverage for your daughter's personal vehicle and/or her use of others' vehicles while she is away at college

# Driving on Behalf of the [Sorority/Fraternity]

If your daughter drives her personal automobile on [Fraternity/Sorority] business and is involved in an accident, she will not be covered by the [Fraternity/Sorority's] automobile liability policy. The [Fraternity/Sorority's] automobile liability policy exists to protect the organization if it is named in a lawsuit involving an automobile, not individuals.



For many chapter members, college is the first opportunity for them to live on their own away from home. It is important that chapter members and their families take the necessary steps to ensure that their personal property, which can often be very expensive, is financially protected via insurance.



Contact us with any questions

[www.mjsorority.com](http://www.mjsorority.com)

888.442.7470