



A COVENANT ORDER OF EVANGELICAL PRESBYTERIANS

Building flourishing churches that make disciples of Jesus Christ.

July 17, 2024

Dear Member Congregations,

As Executive Director of Operations for ECO, I'm often asked questions about issues on legal, corporate and fiduciary matters for the church. One question I've been getting more frequently is on liability insurance. While there is mention of it in Polity, in section 1.0603 (f), there is much more specific information in the membership agreement for the church or church plant in ECO. The membership agreement was signed by both the church and the presbytery at the time the church entered ECO, or in the case of a church plant, was officially set up as a corporation and approved by the presbytery of domicile. The document contains several things including to abide by the ECO Constitution, support the denomination financially, potentially be included in our group 501c3 exemption, and it gives the permission to use ECO marks (trademarked) in the church's everyday operations.

On liability insurance, here is what is outlined in the membership agreement:

Liability Provisions.

Section 3.1 Insurance. The Congregation shall, at its own expense, secure and maintain in full force and effect during the term of this Agreement comprehensive general liability and director and officer liability insurance coverage with commercially reasonable coverage limits not less than one million dollars per occurrence for personal injury, property damage, death, and other related losses. Such coverage shall include the Presbytery and ECO as additional insured parties and shall include claims for sexual misconduct.

What I want to point out specifically here, and the reason you are reading this letter sent to you by your presbytery, is that in your policies, you should have the presbytery and ECO as additional insured. Typically, this doesn't cost anything, but the insurance company will send a letter to both the presbytery and ECO to let them know they've been added. That's how we know it has been done. I understand that with the membership agreement, there are many things that aren't looked at for long periods of time. Typically, it is signed and put in a file cabinet somewhere. But since it is summer, it might be a good time to review that document to make sure everyone in your current leadership understands it. As always, if you have any questions, let me know. And for the address to use for ECO, please use the address in the footer. Your presbytery will advise you on the address to use for them.

Blessings,

John A Terech Jr.

Executive Director of Operations

