

Brothers and Friends,

I am writing to provide you an update on SigEp's insurance renewal and the renewal's impact on the spring insurance and member safety bill. This bill pays for our general liability policies and our Member Accident Protection Program insurance, the creation and use of our member safety resources, as well as the administrative and crisis response services provided to you and your chapter.

A few months ago, I shared that the tiered structure of the spring insurance and member safety bill would continue and that those chapters behaving responsibly and adopting risk-reducing policies would shoulder as little of the financial burden of premium increases as possible. Your staff and national board will continue looking for opportunities to appropriately recognize and reward chapters modeling the way in Greek systems across the country.

In that same communication, I recommended that you budget for a 15-20% increase to the per-member fee associated with your chapter's tier. As expected, SigEp did receive an increase in insurance premiums. However, the increase was well beyond what was expected and, unfortunately, exceeded what was previously communicated to you.

For the 2018 spring insurance and member safety bill, all chapters will see a 2% increase in the chapter base fee, which covers expenses that benefit all chapters equitably. **The 2018 chapter base fee will be \$1,642.**

The per-member fee and the year-to-year percentage increase of that fee will be determined by your chapter's behavior and consistent compliance with [SigEp's Risk Management Policies](#), as well as its adoption and enforcement of the substance-free policy prescribed at Conclave. The per-member fee for each tier will be as follows:

Tier	Per-member fee	Increase
Tier 1	\$98	+23%
Tier 2	\$148	+23%
Tier 3	\$172	+23%
Tier 4	\$221	+23%

The self-insurance contribution per-member will remain at \$50, with \$25 being allocated to a "chapter-specific general liability" account and \$25 being allocated to a "general self-insurance" account. The "chapter-specific general liability" account will only be used if your chapter incurs a claim. The account will grow every year, as long as the chapter operates without a claim.

The chapter-specific general liability account will be held and managed by the Fraternity staff, so you do not need to worry about any tax implications or claiming the account as an asset when you file taxes.

Again, the 2018 spring insurance and member safety bill model is specifically set up so that high-performing chapters are rewarded by paying a lower per-member rate than chapters that violate policies and contribute to the insurance premium increases.

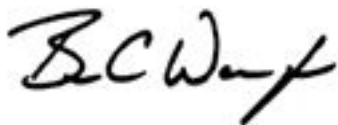
All 2017 Buchanan Cup recipients and accredited RLCs (as of January 1, 2018) with no member safety incidents will receive a 5% discount off the per-member and base-fee charges.

- **Tier 1** will include chapters that have adopted a [substance-free facility](#) policy, as prescribed in the 2017 Grand Chapter Conclave legislation, or are unhoused and have had no member safety incidents. Housed chapters must have adopted the substance-free facility policy, as prescribed in the 2017 Grand Chapter Conclave legislation, by January 1, 2018.
- **Tier 2** will include chapters with no member safety incidents that do not qualify for tier 1.
- **Tier 3** will include chapters with one member safety incident over the prior two years.
- **Tier 4** will include chapters with multiple member safety incidents over the prior two years.

Any chapter in tiers 2, 3 or 4 that adopts and implements a substance-free facility policy by January 1, 2018, will be lowered one tier.

To obtain more detailed information about the spring insurance and member safety bill, please reference the [2017-2018 Fee Structure](#). This resource outlines the fees for the 2017 fall programs and services bill and the 2018 spring insurance and member safety bill.

If you have any questions about SigEp's renewal or the upcoming spring insurance and member safety bill, please contact Member Safety Director [Kathy Johnston](#).
Fraternally,



Brian C. Warren Jr.
Chief Executive Officer