



MJ INSURANCE
SORORITY DIVISION

Property Case Study

Fire Claim

Scenario

A fire broke out in the attic of the chapter house from what they believe was some insulation that fell between the wall and flooring landing on some wires and ignited. The attic was not sprinklered and sustained all of the damage below. However, as the claims progress in the cleaning up and repairing of the attic space, the state building code regulations had to be addressed. The wing where the fire originated was built in the early 1900s, and they could not let the members back into that area until some of the original construction items were upgraded even though they were not affected by the fire (e.g. some of the members had to be moved to other facilities, the insured had to pay for additional meals as the kitchen could not be used).

Result

The code compliance issues drove the cost of claim over \$1,000,000.

Issues to Discuss

1. What policies do you have in place in the event of a severe and lengthy property claim? (i.e. where will you house displaced chapter members? How can you minimize extra expenses associated with the claim?)
2. Do you regularly inspect your attic space? Is your attic sprinklered?

Refer to fire safety and sprinkler resources on our website at www.mjsorority.com.