

GATEKEEPER

SOUTHERN MUTUAL CHURCH INSURANCE



INSIDE

- 2 SMCI broadens coverage against cybercrimes
- 3 CongregationU offers practical training for church staff and members
- 4 Time to inspect buildings and equipment that haven't been used while meeting virtually

These churches know: When you really need SMCI, we're here



We all went through a lot in the past year, but some of our policyholders also experienced catastrophic losses in 2020.

Southern Mutual Church Insurance was there to help when needed, both financially and operationally. Consider some of the major losses we covered in 2020:

Kettle Creek Southern Congregational Methodist Church – Waycross, Georgia

It was about 7:40 on September 16, 10 minutes into the Wednesday night service. Pastor Danny Callahan had just started delivering his sermon when a mighty wind blew open the doors of the sanctuary.

Everyone rushed out of the church to learn they had been hit by a tornado. Five minutes later, the roof collapsed.

"Everybody was safe, and that was the main thing," he said. But the church was largely destroyed. Outside, the wind had torn away about half the roof. Inside, water and debris from the roof had ruined everything – the pews, the carpet and the pulpit.

Pastor Callahan called Southern Mutual Church Insurance, for which he has only praise: "I've never been treated any better in my life by ANY insurance company." SMCI was there the very next morning.

By Easter 2021, the congregation would be back worshipping in the sanctuary.

"What was a horrifying ordeal, y'all made easy for us. We couldn't have asked for any better group to work with," said Pastor Callahan.

New Hope United Methodist Church – Huger, SC

No one knows for sure what started the fire. But it destroyed New Hope's sanctuary and fellowship hall.

It was about 11:30 Sunday night of Labor Day weekend, so fortunately no one was in the building at the time. Church Trustee Chris Hazlett, a truck driver who is also a volunteer fireman, got the call to come help fight a blaze, and it was his church that was burning down! By morning, it was mainly smoldering rubble.

Fortunately, the congregation was still able to worship together. "We were lucky," said Mr. Hazlett. "We had built a Life Center building on separate property four or five miles away. We ended up moving over to there." With COVID protocols in place, the congregation started with outside services, but then moved inside where there was enough room to maintain social distancing.

The plan is to build a new church next to the Life Center. The aim is to break ground by the first anniversary of the fire and be in the new sanctuary itself before the second year has passed.

SMCI has played an essential role. "They're very thorough and very helpful," said Mr. Hazlett. "Definitely when a situation arises that you really need them, they really step up."



LETTER FROM THE PRESIDENT

What a year we have been through! But there is something that you could always rely upon: We did not miss a beat in protecting our policyholders. When you needed us, we were always here.

This Gatekeeper tells the stories of churches helped by Southern Mutual Church Insurance when they needed us the most. At Kettle Creek Southern Congregational Methodist Church in Waycross, GA; at New Hope United Methodist in Huger, SC; and at so many other places across our six states, we helped bring churches back after fire, tornadoes and other devastating events.

We also helped you avoid disaster ahead of time by providing you in-house loss control inspection services and identifying potential hazards on church property before they lead to real problems.

We keep a watch for such modern plagues as cybercrimes and catalytic converter thefts, and help you understand how to protect yourselves from them.

Beyond that, we have formed a partnership with CongregationUI, so you can receive training at a discount on how to deal with dozens of practical issues seen from the special perspective of faith-related communities.

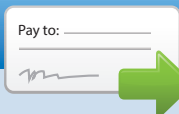
Let me close with positive news we recently received: AM Best has upgraded its rating of SMCI to A Excellent, attesting that we are financially ready when our policyholders need us.

Whatever you need, I hope you will call us at 1-800-922-5332, or visit us at www.smcins.com.

Robert Bates, CPCU, CRM, CIC, AIS

President & CEO, Southern Mutual Church Insurance Company

Turn to SMCI for Growing Needs



Southern Mutual Church Insurance pledges to be there for policyholders in their time of need whether they are recovering from a fire or expanding to meet a growing congregation's needs.

That is why we are happy to offer mortgage loans of up to \$400,000 for expansion, renovation or remodeling. We offer competitive rates, and we can have the check in your hands in less than six weeks.

Call 1-800-922-5332 and talk with Phil Frazier in our Mortgage Loan Department to learn more.

AM Best upgrades Southern Mutual Church Insurance Company

AM Best, the world's oldest and most authoritative insurance rating and information source, has upgraded Southern Mutual Church Insurance Company to A (Excellent) with a Stable Outlook.



"Southern Mutual Church Insurance has a rich history and remains committed to providing exceptional service to its policyholders in their time of need."

Southern Mutual Church was very pleased with the upgrade as it continues to strengthen its balance sheet, provide best in class insurance products and services, and expand its business to reach more churches.



"Southern Mutual Church Insurance has a rich history and remains committed to providing exceptional service to its policyholders in their time of need," said President Robert Bates. "We attribute our success to our long-term relationships with church policyholders, agents, employees and local communities combined with hard work, execution of clear business strategies and God's grace."



SMCI broadens coverage against cybercrimes

Digital criminals keep finding ways to damage, steal from and invade the privacy of unsuspecting victims.

And now Southern Mutual Church Insurance has stepped up its cybersecurity offerings.

We already offer coverage for Data Compromise. Now, we have a new coverage called Cyber Suite. It still protects against data compromise, but it also provides identity recovery and includes several other critical enhancements that shield policyholders against damages from such things as:

- **Computer Attack** – A situation where there is unauthorized access, a malware attack or denial of services.
- **Cyber Extortion** – This is a demand for money based on a credible threat to launch a computer attack to gain personal information, alter data, transfer funds or deny service. "They just take control of your system, until you pay the amount that

they want," says David Karns, VP of Underwriting at SMCI.

- **Misdirected Payment Fraud** – Involves tricking you into paying someone you don't owe anything to.
- **Computer Fraud** – Using the system to transfer money fraudulently.

Cyber criminals don't just want a peek into your system. They want money. They also want usernames, passwords, and personally identifiable information such as names, addresses, dates and places of birth, and Social Security numbers. Because those are ways to get what they really want – the money.

We always stand ready to protect your church against these threats. Reach out to us to help. And be sure to explore the resources we provide on our website. Click on "Cybersecurity" on our Resources page: www.smcins.com/resources.html

Catalytic converter thefts are up – way up



Catalytic converter thefts are still an issue. In fact, the problem is worse than ever.

The catalytic converter is an exhaust emission control device that's required by law. It reduces toxic gases and pollutants in your vehicle's engine into less-toxic pollutants. And when it's missing, you'll know: There will be a loud noise, and a smell like rotten eggs.

It contains three expensive metals – platinum, rhodium, and palladium. Thieves can sell one to a scrap yard for as much as \$200 apiece, but it can cost you \$1,500 or even more to replace.

Fortunately, many states have either passed or are in the process of passing legislation to crack down on those individuals stealing catalytic converters and the recyclers profiting from these criminal acts.

Of course, the best thing is to prevent theft from occurring. Here are a few helpful tips that you can do to protect your vehicles:

- Park in well-lit areas to make it more difficult for thieves.
- When parking in a public lot park as close to a building entrance as you can or to the nearest access road where there is increased pedestrian traffic.
- Etch the Vehicle Identification Number (VIN) onto the catalytic converter.
- Security devices are available that can make it difficult to remove the catalytic converter from your vehicle.
- Pay attention to local news reports so you will know if converter thieves are active in your area.

CongregationU offers practical training for church staff and members

Here's another resource for Southern Mutual Church Insurance policyholders:

CongregationU provides online training on practical aspects of church life, from risk management to human resources to overall health and wellness. And if you have a login for the Policyholder Portal on the SMC website, you get a 20% discount!

Most courses are around 20 to 30 minutes, although some are longer. The training is online, so it is available at your convenience.

“For churches, there are very, very few courses on practical topics” that are tailored specifically for them.” CongregationU offers more than 40 different courses that were written specifically for the faith-based community,” says President Sharon Holt.

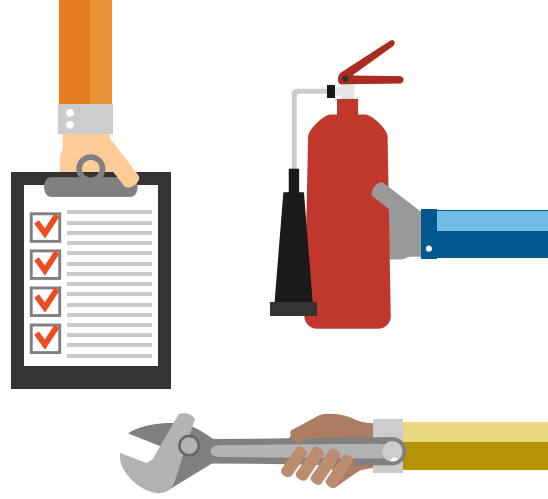


The courses are text-based and interactive, and you proceed at your own pace. There's a quiz at the end of each. If you get an 80 or better on the test, you receive a certificate.

Train all your leaders, staff and members for one price, which is based on church attendance. You can sign up for one course, or a bundle.

Find out more at the SMC resources page, at www.smcins.com/resources.html.

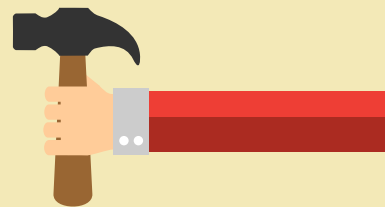
As churches are back in person, inspect buildings and equipment that haven't been used



Last year, the Gatekeeper told the stories of churches struggling to continue worshipping together in the face of the pandemic.

Finally, more and more churches are back conducting services in person. But now they look around and see things that need fixing up. Or they DON'T see them – and we can help with that.

- Check protective devices, such as fire extinguishers, smoke detectors and exit signs. Make sure they have been serviced and work properly. If they work on batteries, replace them.
- Inspect toilets, flushing several times. Often when they are unused, the tank valves and flapper balls don't close properly due to buildup around seals. They may need to be replaced.
- Look for signs of leaks or corrosion. If water and power have been off, the water heater should be monitored during start-up.
- Have all HVAC equipment inspected, cleaned, and filters replaced.
- Inspect kitchen cooking equipment before using.
- Inspect all mechanical rooms, making sure three feet of clearance is provided around electrical panels, water heaters and HVAC equipment. No flammable or combustible materials should be stored in these areas.
- In the parking area, make sure any potholes or uneven areas are leveled. Trim any grass that has overgrown onto walkways.
- Trim any overgrown shrubs or trees back away from the building.
- Make sure handrails and steps are secure. Make sure ramps are clean and have a good, nonskid surface.
- Have the roof inspected to keep small problems from becoming big ones.
- Inspect playgrounds, sports fields and basketball courts - including all surfaces and equipment. Replace or repair any damaged parts.
- Have church vans and buses checked out. When they sit unused, tires, belts and hoses dry-rot, brake calipers seize and cooling systems corrode.



Connect to our online resources

Visit the Resources section of our website to find helpful information about the issues facing churches today. We have created informative articles, videos and handouts about topics such as church security, child protection, cyber security, theft and more. You will also find the latest edition of the Gatekeeper. Visit www.smcins.com and click on Resources.

Payment Is A Click Away



At Southern Mutual Church, we like to make things easier for our churches. That is why we offer a simple, online payment system for policies that will transfer the money directly from your church's checking account.

Simply go to our home page, www.smcins.com, and click on "Make A Payment." The instructions on that page will walk you through the process.



201 Greenlawn Drive
P.O. Box 9346
Columbia, SC 29290-0346

803-776-9365
800-922-5332
www.smcins.com

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