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**Claims Reporting**

**Toll Free 888-730-1572 ext. 260  
Richmond 804-730-1572 ext. 260  
9 a.m. to 5 p.m. Monday-Friday**

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**BIIA Claims Department  
1315 Franklin Rd SW  
Roanoke, VA 24016  
Email: [tech1@riskprograms.com](mailto:tech1@riskprograms.com)**

**Reclamaciones**

**Toll Free 888-730-1572 ext. 260  
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**[www.biiainsurance.com](http://www.biiainsurance.com),  
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1315 Franklin Rd SW  
Roanoke, VA 24016  
Email: [tech1@riskprograms.com](mailto:tech1@riskprograms.com)**

# BUILDERS RISK COVERAGE FORM

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to Building Industry Insurance Association, Inc. (BIIA).

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

## A. Coverage

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

### 1. Covered Property

a. Covered Property as used in the Coverage Form, means:

Property which has been installed, or is to be installed in any "commercial structure" and/or any one to four family dwelling, private garage, or other structures that will be used to service the one to four family dwelling at the location which you have reported to us. This includes:

- (1) The following property provided such property is intended to be permanently in or on the building or structure described in the Declarations:
  - (a) Your building materials and supplies used for construction;
  - (b) Fixtures and machinery;  
Coverage provided under Paragraph (b) includes your legal liability for similar property belonging to others;
- (2) Foundations of a building or structure described in the Declarations while in the course of construction; and
- (3) Temporary structures built or assembled on site, including cribbing, scaffolding and construction forms.
- (4) Completed one to four family dwelling which is being used as a Model Home when reported to us as such on monthly reports with an amount shown.

### 2. Property Not Covered

Covered Property does not include:

- a. Existing buildings or structures to which improvements, alterations, repairs or additions are being made;
- b. Land (including land on which the property is located) or water; or
- c. Lawns, trees, shrubs or plants.
- d. Plans, blueprints, designs or specifications, except as provided in Additional Coverage of this coverage form
- e. "Existing inventory". Unless specifically endorsed
- f. Contractors tools and equipment
- g. Property within 1,000 feet of tidal water.

### 3. Covered Causes Of Loss

Covered Causes of Loss means Direct Physical Loss Or Damage to Covered Property except those causes of loss listed in the Exclusions.

#### 4. Additional Coverages

##### a. Debris Removal

- (1) We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of the direct physical loss or damage.
- (2) The most we will pay under this Additional Coverage is the lesser of 25% of:
  - (a) The amount we pay for the direct physical loss or damage to Covered Property; minus the deductible in this Policy applicable to that loss or damage; or
  - (b) The applicable Limit of Insurance for Covered Property:
    - (i) At the Job Site;
    - (ii) At a location other than the Job Site; or
    - (iii) In Transit;**where the loss occurs.**

But not exceeding \$20,000. This limitation does not apply to any additional debris removal limit provided in the Limits Of Insurance Section.

- (c) This Additional Coverage does not apply to costs to:
  - (i) Extract "pollutants" from land or water; or
  - (ii) Remove, restore or replace polluted land or water.

##### b. Lawns, Trees, Shrubs And Plants

We will pay for loss or damage to lawns, trees, shrubs and plants outside of buildings on the described premises, if the loss or damage is caused by or results from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Additional Coverage is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

##### c. Pollutant Cleanup And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this Policy.

The limit for this Additional Coverage is in addition to the Limit of Insurance.

**d. Preservation Of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

This Additional Coverage is part of, and not in addition to, the Limit of Insurance applicable to the Covered Property.

**e. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

**f. Limited Coverage For "Fungi", Wet Rot And Dry Rot**

(1) The coverage described in Paragraphs (2) and (5) only applies when "fungi", or wet or dry rot is the result of one or more of the Covered Causes of Loss, except fire or lightning, that occur during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after the time of the occurrence.

(2) We will pay for loss or damage to Covered Property by "fungi", or wet or dry rot. As used in this Limited Coverage, the term loss or damage means:

- (a) Direct physical loss or damage to Covered Property caused by "fungi", or wet or dry rot, including the cost of removal of the "fungi", or wet or dry rot;
- (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", or wet or dry rot; and
- (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", or wet or dry rot is present.

(3) Unless a higher Limit Of Insurance for this coverage is shown in the Declarations, the most we will pay is \$15,000 for loss or damage to Covered Property. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss or damage arising out of all occurrences of Covered Causes of Loss (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungi", or wet or dry rot, we will not pay more than a total of \$15,000 even if the "fungi", or wet or dry rot continues to be present or active, or recurs, in a later policy period.

If the Declarations indicate that the Separate Locations Option applies, then the amount of coverage (\$15,000, unless a higher amount is shown in the Declarations) is made applicable to separate locations as described in the Declarations. For each location so described, the amount of coverage is an annual aggregate limit, subject to the terms set forth above in this Paragraph (3).

(4) The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungi", or wet or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungi", or wet or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", or wet or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

- (5) The following, (5)(a) or (5)(b), applies only if Business Income and/or Extra Expense Coverage applies and only if the "suspension" of "operations" satisfies all terms and conditions of the Business Income And Extra Expense Coverage endorsement.
- (a) If the loss which resulted in "fungi", or wet or dry rot does not in itself necessitate a "suspension" of "operations" but such "suspension" is necessary due to loss or damage to property caused by "fungi", or wet or dry rot, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days, or the number of days shown in the Declarations. The days need not be consecutive.
  - (b) If a covered "suspension" of "operations" was caused by loss or damage other than "fungi", or wet or dry rot but remediation of "fungi", or wet or dry rot prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days, or the number of days shown in the Declarations. The days need not be consecutive.

## **B. Exclusions**

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

### **a. Ordinance Or Law**

- (1) The enforcement of or compliance with any ordinance or law:
  - (a) Regulating the construction, use or repair of any property; or
  - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion applies whether the loss or damage results from:
  - (a) An ordinance or law that is enforced even if the property has not been damaged; or
  - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss or damage to that property.

### **b. Earthquake**

But if earthquake results in fire, we will pay for the direct loss or damage caused by that fire, if the fire would be covered under this coverage form.

### **c. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

### **d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this coverage form.

### **e. War And Military Action**

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**f. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge); or
- (2) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1). This exclusion applies regardless of whether any of the above, in Paragraphs (1) and (2), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.  
But if any of the above, in Paragraphs (1) and (2), results in fire, explosion or theft, we will pay for the direct loss or damage caused by that fire, explosion or theft if these causes of loss would be covered under this coverage form.
- (3) The interior of any building or structure caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
  - (a) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
  - (b) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- (4) Mudslide or mudflow;
- (5) Water that backs up or overflows from a sewer, drain or sump,
- (6) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings.

But if water, as described in f.(1) through f.(6) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

**g. Earth Movement**

- (1) Any earth movement such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if earth movement results in fire or explosion, we will pay for the loss or damage caused by the fire or explosion.

**h. "Fungi", Wet Rot And Dry Rot**

Presence, growth, proliferation, spread or any activity of "fungi", or wet or dry rot.

But if "fungi", or wet or dry rot results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

- (1) When "fungi", or wet or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungi", Wet Rot And Dry Rot with respect to loss or damage by a cause of loss other than fire or lightning.

**i. Virus, Bacterium Or Other Microorganism**

Any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungi", wet rot or dry rot. Such loss or damage is addressed in the previous exclusion.

The terms of this exclusion, or the inapplicability of this exclusion to a particular loss, does not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part.

This exclusion applies to all coverage under all forms and endorsements that comprise this Coverage Part, including but not limited to forms or endorsements that cover business income, extra expense or action of civil authority.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

- 2.** We will not pay for loss or damage caused by or resulting from any of the following:
- a.** Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry
  - b.** Delay, loss of use, loss of market or any other consequential loss
  - c.** Unexplained disappearance
  - d.** Shortage found upon taking inventory
  - e.** Penalties for noncompliance with contract conditions
  - f.** Dishonest or criminal act (including theft) committed by:
    - (1)** You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;
    - (2)** A manager or a member if you are a limited liability company; or
    - (3)** Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives; whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation. This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
  - g.** Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
    - (1)** Electrical or electronic wire, device, appliance, system or network; or
    - (2)** Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes, but is not limited to, electrical current, including arcing; electrical charge produced or conducted by a magnetic or electromagnetic field; pulse of electromagnetic energy; electromagnetic waves or microwaves. But if artificially generated electrical, magnetic or electromagnetic energy, as described above, results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this coverage form.
  - h.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.



- i. Unauthorized instructions to transfer property to any person or to any place.
- j. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- k. Theft by any person (except carriers for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

**This exclusion applies whether or not an act occurs during your normal hours of operation.**

- l. Settling, cracking, shrinking, or expansion of any Covered property
- m. Testing, start-up, commissioning, examination or trial of Covered Property such as boilers, ovens, stoves, turbines, pumps, process equipment or equipment of a similar nature to prove their ability or function. This exclusion does not apply to "electrical testing", "mechanical testing", pneumatic testing" or "hydrostatic testing" used in the start-up and testing of building systems that are intended to service a building.
- n. Rain, sleet, ice or snow that enters the interior of a building or structure described in the Declarations. However, this exclusion does not apply when the exterior of the building or structure is completed. The exterior of a building or structure is considered completed when it is fully weather resistant and all of its components and systems have been completely and permanently installed. These components and systems include, but are not limited to:
  - (1) The roof, exterior walls (including siding), windows, doors and vents; and
  - (2) Drainage, electrical, mechanical, ventilation, heating and air-conditioning systems.

**But Exclusion B.3.a. still applies.**

- 3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
  - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;  
of part or all of any property wherever located.
  - d. Wear and tear.
  - e. Any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration.
  - f. Mechanical breakdown.
  - g. Insects, vermin, rodents.
  - h. Rust or other corrosion, dampness, extremes of temperature.

### C. Limits Of Insurance

The most we will pay for loss or damage in any one building or structure is the lesser of the Limit of Insurance shown in the Declarations for that one building or structure or the "Total estimated completed value(s)" that was reported to us for that one building or structure. The most we will pay for losses or damage in any one occurrence is the limit shown in the Declarations or all Covered Property at all locations.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Preservation Of Property; or
2. Debris Removal; but if:
  - a. The sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance; or
  - b. The debris removal expense exceeds the amount payable under the 25% limitation in Debris Removal Additional Coverage;  
we will pay up to an additional \$20,000 in any one occurrence under the Debris Removal Additional Coverage.

The limits applicable to all other Additional Coverages are in addition to the Limits of Insurance.

### D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limit of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance. The deductible applies separately to each building or structure, described in the Declarations or reported to us, if two or more locations sustain loss or damage.

The Deductible does not apply to Covered Property in transit.

### E. Additional Conditions

1. The **Valuation** General Condition in the Commercial Inland Marine Conditions is replaced by the following:

We will determine the value of Covered Property at actual cash value as of the time of loss or damage.

2. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

#### a. Coverage Territory

- (1) We cover property wherever located within:
  - (a) The United States of America (including its territories and possessions);
  - (b) Puerto Rico; and
  - (c) Canada.

#### b. Where Coverage Applies

- (1) This coverage applies to Covered property while within the coverage territory while:
  - (a) At any construction site you have reported;
  - (b) Temporarily at other premises, if the property has been designated to be installed at a location you have reported to us; or
  - (c) In transit except imports or exports while ocean marine coverage applies.

- (2) We also cover property being shipped by air within and between points in Paragraph (1).

### 3. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

We will not pay the full amount of any loss or damage if the value of the Covered Property at the time and location of the loss or damage times the Coinsurance percentage shown in the Declarations is greater than the Limit of Insurance for all Covered Property at that location.

Instead, we will determine the most we will pay using the following steps:

- a. Multiply the value of the Covered Property at the time and location of the loss or damage by the Coinsurance percentage;
- b. Divide the Limit of Insurance for the Covered Property at the location by the figure determined in Step (a);
- c. Multiply the total amount of loss or damage at the location, before the application of any deductible, by the figure determined in Step (b); and
- d. Subtract the deductible from the figure determined in Step (c).

We will pay the amount determined in Step (d) or the applicable Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

#### **4. Coverage Begins and Ceases**

We will cover risk of loss or damage from the time when you are legally responsible for the Covered Property on or after the effective date of this policy if all other conditions are met. Coverage will end at the earliest of the following:

- a. Once your interest in the Covered Property ceases;
- b. Ninety days after initial occupancy of the Covered Property unless:
  - (1) That building is being used as a model home
  - (2) That building is being remodeled and is a single family dwelling; or
  - (3) That building is being used as a "model home leaseback".
- c. When the Covered Property is leased to or rented to others:
  - (1) For a single family dwelling, when the building is leased or rented to others;
  - (2) For a two, three or four family dwelling, when 50% or more of the units in the structure are leased to or rented to others; or
  - (3) For a "commercial structure", when 75% or more of the square footage space is leased to or rented to other
- d. When you abandon the reported location with no intention to complete it; This does not apply to pre-leases established prior to construction.
- e. At the end of 12 months from the month when you first reported the location to us unless you report the location again and pay an additional premium. If the location is reported again and the additional premium is paid, coverage will end at the end of the 12 months from the month when you re-reported the location to us as described in the **Reporting Provisions**. There is no option to report a third year.
- f. Coverage for existing buildings or structures that are being or have been remodeled. At the end of 12 months from the month when you first reported the location to us unless you report the location again and pay an additional premium. If the location is reported again and the additional premium is paid, coverage will end at the end of the 12 months from the month when you re-reported the location to us as described in the **Reporting Provisions**. There is no option to report a third year.
- g. When permanent property insurance applies; or
- h. Once the Covered Property is accepted by the owner or buyer.
- i. When you stop reporting the location.

## **5. Reporting Provisions**

1. Each month you must report to us the "Total estimated completed value(s)" of all Covered Property for each location started during the previous month. This report must be made on the form we provide. For the purpose of these reports, a location is started when you first put any building materials (including the foundation) on the construction site. If your policy is endorsed to provide coverage for existing structures that you are renovating or adding onto and for which you seek coverage, a location is started on the earlier of the following:
  - a. When you first put any building materials, which includes any new, altered or expanded foundation, on the site; or
  - b. When you acquire title to the existing structure(b)
2. You must pay premiums based on the "Total estimated completed value(s)" of the Covered Property using the rate we furnish. You must send your premium payment with the report for the reported locations to be covered. We must receive your report and the accompanying premium payments at the address or web address designated in our form by the last business day of the month in which the report is due, or the report is late.
3. If a report is received late, coverage begins on the day the report is received, and there is no coverage for any loss or damage that occurred before that report was received. Our acceptance of a report of values and premium payment does not waive or change any part of this policy nor stop us from asserting any right we have under the terms of this policy
4. The premium charged is fully earned and no refund is due you when coverage ends.
5. A dwelling being used as a Model Home must be reported and should be identified as a Model Home
6. You will keep accurate construction records regarding property we cover under this policy. This includes the "total estimated completed value(s)" of the Covered Property and a record of all contracts of sale dealing with the Covered Property.
7. If at the end of 12 months from the time you first reported a start to us, you still have the location in your inventory, you may report that location to us a second time. There is no option to report a third time (year).

Coverage for existing buildings or structure that are being or have been remodeled:

If at the end of 12 months from the time you first reported a start to us, you still have that location in Your inventory, you may report that location to us a second time. There is no option to report a third time (year).

8. Cancellation of this policy will not affect the insurance in force on any location which you have reported to us or on any location which started before the effective date of the cancellation notice if that location is reported on the report due and premium payment is made. However, you cannot report any location currently in your inventory a second time after the effective date of cancellation.

However, coverage may be canceled on any location if notice is given in writing in accordance with The cancellation provision in the Common Policy Conditions, or state amendatory endorsements.

## **F. Definitions**

1. **"Commercial structure" means any structure other than a one to four family dwelling**
2. **"electrical testing" means the testing of systems that are operated by electricity, excluding service equipment and service conductors, electrical systems greater than 600 volts nominal and electrical systems that are greater than single phase.**
3. **"Existing inventory" means buildings or structures in the course of construction that are more than 30% complete prior to the inception date of this policy.**
4. **"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".**
5. **"Hydrostatic testing" means testing through the use of water or other fluids, which are processed through the machinery or system being tested.**

6. "Mechanical testing" means testing of moving parts of equipment and components, which are part of the buildings or structures insured, by operation of such equipment or components.
7. "Model home leaseback" means a dwelling purchased from the Insured and is then leased back to the insured, by the purchaser, to be used by the insured as a model home until the purchaser occupies the dwelling as a residence.
8. "Overhead" means those business expenses, other than materials and labor, incurred either directly or indirectly due to the construction of a dwelling or structure.
9. "Pollutants" mean any solid, liquid, gaseous or thermal irritant, or contaminant, including smoke, vapor, soot fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
10. "Pneumatic testing" means testing through the use of compressed air or other gas to fill test cavities which is processed through the machinery or system being tested.
11. "Profit" means the difference between the selling price of the land and completed structure and your cost of the land and the completed structure. If you do not have a signed contract for the sale of the completed structure and land, the allowance for "profit" will not exceed 20%
12. "Total estimated completed value(s)" means all costs associated with the building and designing of the Covered Property including labor, "overhead" and materials and if included, "profit".
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages. However, "valuable papers and records" does not mean, money or securities, converted data, or programs or instruction used in your data processing operation, including the materials on which the data is recorded
14. "Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

## COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. We will not pay you more than your financial interest in the Covered Property.

3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - a. We have reached agreement with you on the amount of the loss; or
  - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### G. Pair, Sets Or Parts

##### 1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### 2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

#### J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you.

This will not restrict your insurance.

#### GENERAL CONDITIONS

##### A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

##### B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

##### C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.



## DEVELOPMENT/SUBDIVISION FENCES, WALLS AND/OR SIGNS COVERAGE

THIS ENDORSEMENT CHANGES THE BUILDER'S RISK COVERAGE  
FORM. PLEASE READ IT CAREFULLY.

### A. Coverage

We will pay for the direct physical loss to Covered property caused by  
or resulting from a Covered Cause of Loss

#### 1. Covered Property

Covered Property, as used in this Endorsement, means  
free standing fences, walls and/or signs erected by you or  
on your behalf, at a development or subdivision. This  
includes entrance-way signs or walls, retention pond  
fences and fences or a wall that borders the development  
or subdivision.

#### 2. Property Not Covered

Covered Property, as used in this endorsement, does not  
include:

- a. Gate Houses or Guard Houses;
- b. Retaining walls;
- c. Fences or walls that are assigned to a specific  
location; or
- d. Property that is more specifically insured in this or  
another insurance policy, except for the excess of the  
amount due (whether you can collect or not) from that  
other insurance.

#### 3. Limits of Insurance

The most we will pay for loss of free standing fences,  
walls and/or signs is \$10,000 or the limit listed on the  
Declarations Page.

#### 4. When Coverage Begins and Ends

We will cover risk of loss from the time when you are  
legally responsible for the property on or after the  
effective date of this policy, if all other conditions are  
met. Coverage will end at the earliest of the following:

- a. Once your interest in the property ceases;
- b. When you abandon the development or subdivision;
- c. Once the Covered Property is accepted by the owner or buyer; or
- d. When this policy expires or is cancelled.

All other provisions in your policy will apply to this coverage unless they are specifically changed by provisions of this endorsement

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NAMED STORM PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM  
INSTALLATION COVERAGE FORM  
RADIO AND TELEVISION TOWERS AND EQUIPMENT COVERAGE FORM  
TANK STORAGE COVERAGE FORM

### SCHEDULE

Location Of Covered Property	Named Storm Percentage Deductible Enter 1%, 2%, 5% Or Other Percentage		
	Percentage	Minimum	Maximum
AS SHOWN ON DEC PAGE	2 %	\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

A Named Storm is a storm system that has been identified as a tropical storm or hurricane and assigned a name by the National Hurricane Center or the Central Pacific Hurricane Center of the National Weather Service (hereafter referred to as NHC and CPHC). Under the terms of this endorsement, a Named Storm begins at the time a Watch or Warning is issued by the NHC or CPHC for the area in which the affected premises are located, and ends 72 hours after the termination of the last Watch or Warning issued for that area by the NHC or CPHC.

The Named Storm Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by each Named Storm. If there is covered loss or damage from a windstorm that is not a Named Storm, the applicable deductible is the same deductible that applies to All Other Losses as shown in the Declarations.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of any exclusion in this policy. If Water Damage Coverage applies, a separate Water Damage Deductible applicable to loss or damage attributable to Water Damage is shown in the Declarations.

In the event that more than one deductible applies to loss or damage to Covered Property as a result of one occurrence, the largest applicable deductible will apply.

### Named Storm Deductible Calculations

#### A. Calculation Of The Deductible – All Policies

1. A Deductible is calculated separately for, and applies separately to, each building that sustains loss or damage.
2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by the Coinsurance Condition or the provisions in the Value Reporting Form relating to full reporting or failure to submit reports.

#### B. Calculation Of The Deductible

##### 1. Nonreporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the actual cash value of that property as of the time of loss or damage, subject to any minimum or maximum dollar amount shown in the Schedule.

## 2. Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the value of the property that has sustained loss or damage, subject to any minimum or maximum dollar amount shown in the Schedule. The value to be used is the actual cash value shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the actual cash value of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value as of the report date.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value of the property as of the time of loss or damage.

## **INLAND MARINE MODEL HOME CONTENTS ENDORSEMENT**

THIS ENDORSEMENT CHANGES THE BUILDER'S RISK COVERAGE FORM.  
PLEASE READ IT CAREFULLY.

SECTION A. COVERAGE, paragraph 4 ADDITIONAL COVERAGES is amended to add the following:

- g. Model Home Contents Coverage  
Covered Property as used in this endorsement means household furniture, appliances and accessories that are your property, including property of others in your care, custody or control. Such property is covered within the coverage territory while:
  - a. on exhibition or display at a model home;
  - b. in transit; or
  - c. stored at any location(s) on a temporary basis.

SECTION A. COVERAGE, paragraph 2 PROPERTY NOT COVERED is amended to include:

- g. Personal property of your officers, partners or employees;
- h. Contraband;
- i. Money and Securities; and
- j. Works of art or objects of rarity or historical value in excess of \$2,500 for any one item.

SECTION B. EXCLUSIONS, paragraph 1 is amended to add the following:

- J. special exclusions.  
The following exclusions apply only to this Inland marine Home Contents Endorsement:

Marring, scratching, exposure to light, or breakage of statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles, unless caused by:

- (1) Fire, lightning, or windstorm;
- (2) Theft or attempted theft;
- (3) Explosion, aircraft, vandalism damage; or
- (4) Derailment or overturn of conveyance

For coverage provided by this Inland Marine Model Home Contents Endorsement, SECTION C LIMITS OF INSURANCE is replaced by the following:

The most we will pay for any one loss at any one location is the limit reported for the Model Home Contents at that location.

For coverage provided by this Inland Marine Model Home Contents Endorsement SECTION D. DEDUCTIBLE is replaced by the following:

We will not pay for loss in any one occurrence until the amount of covered loss exceeds the Deductible shown in the Declarations. We will then pay the amount of covered loss which exceeds the Deductible, up to the limit reported.

For coverage provided by the Inland Marine Model Home Contents Endorsement, SECTION E. ADDITIONAL CONDITIONS, 3 COINSURANCE is replaced by the following:

We will not be liable for a greater portion of any loss to property covered by this endorsement than the limit reported, bears to 80% of the actual cash value of that property at the time of loss.

All other terms and conditions of this policy remain unchanged.

## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **VIRGINIA CHANGES**

This endorsement modifies insurance provided under the following when written as part of a Commercial Package Policy containing liability coverage and supersedes the cancellation and nonrenewal provisions contained in any amendatory endorsement(s) of a policy to which this endorsement is attached.

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART

- A.** Paragraphs **2.**, **3.** and **5.** of the **Cancellation** Common Policy Condition are replaced by the following:
- 2.** We may cancel this policy by mailing or delivering to you written notice of cancellation, stating the reason for cancellation, at least:
    - a.** 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
    - b.** 45 days before the effective date of cancellation if we cancel for any other reason.
  - 3.** We will mail or deliver written notice to your last mailing address known to us. If notice is mailed, it will be sent by ordinary mail for which a Certificate of Mailing has been obtained, or by registered or certified mail.
  - 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium.
    - a.** We will compute return premium pro rata and round to the next higher whole dollar when this policy is cancelled:
      - (1)** At our request;
      - (2)** Because you no longer have a financial or insurable interest in the property or business operation that is the subject of insurance;
        - (3)** And rewritten by us or a member of our company group; or
        - (4)** After the first year, if it is a prepaid policy written for a term of more than one year.
    - b.** When this policy is cancelled at your request (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years. In addition, earned premium will not be less than our policywriting minimum premium.
- B.** The following is added and supersedes any other provision to the contrary:
- NONRENEWAL**
- 1.** If we elect not to renew this policy, we will mail or deliver a notice of nonrenewal to you, stating the reason for nonrenewal, at least:
    - a.** 15 days before the expiration date if the nonrenewal is due to nonpayment of premium; or
    - b.** 45 days before the expiration date if the nonrenewal is for any other reason.
  - 2.** We will mail or deliver written notice of nonrenewal to your last mailing address known to us. If notice is mailed, it will be sent by ordinary mail for which a Certificate of Mailing has been obtained, or by registered or certified mail.



# Remodeler Coverage- Existing Building(s) or Structure(s) Coverage Endorsement

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:

## **INLAND MARINE -BUILDERS RISK COVERAGE FORM**

The following is added to Section **A. COVERAGE**, Paragraph **4. Additional Coverages**

### **Remodeler Coverage**

- (1)** We will pay for loss or damage due to a Covered Cause of Loss to “existing buildings or structures” described in the Declarations to which “renovations and improvements” are being made.
- (2)** Paragraph **a.** in **Property Not Covered** does not apply to this Additional Coverage.
- (3)** The most we will pay under this Additional Coverage for loss or damage to “existing buildings or structures” is the amount shown in the Declarations for Existing Buildings Or Structures. The most we will pay under this Additional Coverage for loss or damage to “renovations and improvements” is the amount shown in the Declarations for Renovations And Improvements.
- (4)** The **Valuation** Condition, found anywhere in the policy, is replaced by the following with respect to this Additional Coverage:

#### **Valuation**

In the event of loss or damage, the value of the property will be determined as of the time of loss or damage.

- (a)** The value of “existing buildings or structures” will be “actual cash value”.
- (b)** The value of the “renovations and improvements” will be the lesser of the cost to repair or the cost to replace with like kind and quality to the same point of completion that had been achieved immediately before the loss or damage.

### **(5) Additional Condition**

The following Additional Condition applies to this Additional Coverage:

#### **Ongoing Construction Activity**

During the policy period when no “construction activity” has been performed within 60 consecutive days before the loss or damage occurs:

- (a)** We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
  - (i)** Vandalism;
  - (ii)** Sprinkler leakage, unless you have protected the system against freezing;
  - (iii)** Building glass damage;
  - (iv)** “Water damage”;
  - (v)** Theft; or
  - (vi)** Attempted theft.

**(b)** With respect to Covered Causes of Loss other than those listed in **(1)** through **(6)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

**(6) Additional Definitions**

The following Additional Definitions apply to this Additional Coverage

**(a)** “Actual cash value” means the cost to repair or replace the lost or damaged Covered Property reduced by each of the following:

- (i)** Physical deterioration;
- (ii)** Depreciation;
- (iii)** Obsolescence;
- (iv)** Depletion;
- (v)** Non-conformity to codes, regulations, or statutes; and
- (vi)** The cost to reconstruct or remodel undamaged portions of property.

But in no event will “actual cash value” be more than the market value of the property excluding land as determined by the price which the property excluding land might be expected to realize prior to loss or damage if offered for sale in a fair market on the date of the loss or damage.

**(b)** “Construction activity” means repair, replacement, or installation, including painting.

**(c)** “Existing buildings or structures” means a building or structure that was constructed and standing prior to the inception of this policy and that will undergo renovation or rehabilitation. “Existing buildings or structures” only includes those parts of standing buildings or structures that are intended to become a permanent part of buildings or structures during renovation or rehabilitation. This does not include “renovations and improvements”.

**(d)** “Renovations and improvements” means your additions, alterations, improvements or repairs to the property location specified in the Declarations including materials and supplies, attachments, and fixtures which have been installed, or will be installed in the “existing buildings or structures”. This does not include “existing buildings or structures”.

**(e)** “Remodelers total estimated completed value” means the “actual cash value” of the “existing buildings or structures”, plus the estimated cost of your “renovations and improvements” at the conclusion of the project. This does not include “overhead” or “profit”.

All other terms, conditions, provisions and exclusions of this policy remain the same.

## BIIA Privacy Practices

Protecting the privacy and confidentiality of information about our customers is very important to Building Industry Insurance Association (BIIA). Accordingly, we strive to comply with each of the following practices in everything we do:

**We do not sell, rent, lease or otherwise disclose personal information of our customers for purposes unrelated to our product and services.** The personal information of our customers is of paramount importance to us. Therefore, we provide this information only to our employees, agents and third parties as required to allow them to help us develop and provide our insurance.

**We work to ensure information integrity and security.** We use technology tools and design our business practices to help ensure that the personal information of our customers is properly gathered, stored and processed. We also work to maintain the security of, and internal and external access to, the personal information of our customers through the use of technology and our business practices.

**We expect our service agents and employees to respect the personal information of our customers.** BIIA has business policies and practices in place to help ensure that our employees and service agents carry out these practices and otherwise protect personal information about our customers. Both employees and service agents are subject to censure, dismissal, or termination for violation of these policies.

## PRIVACY NOTICE

BIIA and our agents provide this notice to let you know about the current privacy practices of BIIA. **You do not need to do anything in response to this notice. This notice is merely to inform you about how we safeguard your information.**

### Collection of Information

As part of BIIA's normal underwriting and operating procedures, BIIA (and our service agents acting on our behalf) need to obtain information to determine an individual/company's eligibility for our product and to perform our insurance functions. BIIA may collect nonpublic personal financial information about BIIA's customers, including:

- Information from our customers (including names, addresses, and financial information).
- Information about the customers' transactions with BIIA (including claims and payment information).
- Information from consumer reporting agencies (including creditworthiness and credit history); insurance support organizations such as the Central Index Bureau (including claims histories); and a claimant's health care providers, employee(s) salary information.

### Disclosure of Information

BIIA may disclose the nonpublic personal financial information we collect, as described above, as well as information about your transactions with us (such as your policy coverage, premiums, and payment history) to our service agents or other third parties who perform services or functions on our behalf. We may also disclose the nonpublic personal financial information we collect to other third parties as authorized by you or as required or permitted by law.

Our service agents will make disclosures of our customers' nonpublic personal financial information only while acting on BIIA's behalf and, furthermore, will make such disclosures only as BIIA itself is permitted to make.

Neither BIIA nor our service agents will use or share with other parties any nonpublic personal financial information about BIIA customer for any purpose other than disclosures for the performance of insurance functions by BIIA or on our behalf, disclosures that are permitted or required by law, or disclosures that the customer has authorized.

Neither BIIA nor our service agents will further disclose any nonpublic personal information about a former customer of BIIA other than as may be required or permitted by law.

### **Confidentiality and Security**

BIIA and our service agents will safeguard, according to strict standards of security and confidentiality, any information we collect, receive or maintain about BIIA's customers. BIIA maintains administrative, technical, and physical safeguards to ensure the security and confidentiality of our customers' information and records, to protect against anticipated threats or hazards to such records, and to protect against unauthorized access to or use of such information or records.

Internally, BIIA limits access to our customers' information to only those employees who need access to the information to perform their job functions. Employees who misuse information are subject to disciplinary actions. Externally, we do not disclose customer information to any third parties unless we have previously informed the customer of the disclosure, have been authorized to do so by the customer, or are required or permitted to make the disclosure by law or our regulators.

## **IMPORTANT INFORMATION TO POLICY HOLDERS**

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number:

Customer Relations Department  
Building Industry Insurance Association, Inc.  
345 W. Freemason St  
Norfolk, VA 23510  
757-420-3022

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia Bureau of Insurance at:

Property and Casualty Division  
Bureau of Insurance  
P. O. Box 1157  
Richmond, Virginia 23209  
1-804-371-9965

Written correspondence is preferable so that a record of your inquiry can be maintained. When contacting your agent, company or the Bureau of Insurance have your policy number available.

## Thank You

We would like to take the opportunity to thank you for placing business with Building Industry Insurance Association, Inc.

Our insurance programs are successful because of you.  
Let us know how we can better serve you.