

Important Insurance Terms

1. **Buildings:** Structures owned by the Fraternity or Sorority or its house corporations including completed alterations and repairs or additions to the structure and additions under construction. Buildings do not include land, water, foundations or supports below the surface of the lowest floor/basement, outdoor trees, shrubs, plants or lawns.
2. **Building Codes/Law or Ordinance:** A Building Code, Law or Ordinance, in effect at the time of loss or damage, that regulates the zoning, land use, or construction of a building, which affects the reconstruction, repair or replacement of a damaged building. Usually these laws or ordinances operate to impose added costs for upgrading various areas to current required standards (i.e., electrical wiring, plumbing, heating, fire alarms or sprinkler systems, emergency lighting, or other life safety codes).
3. **Contents or Personal Property:** All contents or personal property owned by the Fraternity or Sorority, its house corporations or chapters. Any property of others at your premises (except members and tenants property). If you are a tenant, your interest in any tenant's improvements and betterments are included. This does not include the personal property of the undergraduate chapter members or any other tenants, or a building, land or water.
4. **Fine Arts:** Personal property owned by the Fraternity or Sorority, its house corporations or chapters. Fine Arts items may include: Paintings, rare books, manuscripts, pictures, etchings, drawings, bronzes, statuary, porcelains, and other bona fide works of art, or other unique items of rarity or historical value such as fraternity or sorority memorabilia.
5. **Replacement Cost:** The cost to repair, replace, or restore the damaged property with materials of comparable kind and quality to the condition which existed prior to the damage. Claim payments are made without any deduction for depreciation if the damaged property is repaired or replaced.
6. **Market Value:** The price for which Fine Arts property would sell if sold on the date it is lost, damaged or destroyed.
7. **Business Income:** The business's net income including rental income, before the physical loss or damage, the continuing expenses after the loss or damage, and the business's likely net income if no loss or damage had occurred.
8. **Extra Expenses:** All expenses paid to reduce a business income loss. Any reasonable additional expenses necessary to continue as nearly as practical your normal operations, which exceed the normal expenses that

would have been incurred during the period of restoration if no physical loss or damage had occurred.

9. **Actual Loss Sustained:** The total amount of business income lost, including the necessary continuing expenses, and any reasonable extra expenses incurred to continue, as nearly as practical, your normal operations during the period of restoration.

10. **Period of Restoration:** The period of time that begins with the date the property is physically damaged or destroyed and ends when damages are repaired and operations are restored to the condition that would have existed if no physical loss or damage had occurred.

Questions and Additional Help

Our staff is always available to answer your questions, discuss your individual circumstances or needs, and assist you in establishing or making adjustments in your insurance program. Please contact us at James R. Favor & Company, 14466 East Evans Avenue, Aurora, Colorado 80014-1409. WATS (800) 344-7335 . TEL. (303) 750-1122 . FAX (303) 745-8669.