

THINKING AHEAD...

TO DELIVER
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CLOSURE DUE TO COVID-19

HERE IS WHAT YOU NEED TO KNOW.

COVID-19 forced numerous chapter operations to close before the end of the 2019-2020 academic school year. With the end of summer quickly approaching, many chapters are faced with the reality of not reopening this fall. When a property is vacant, significant limitations and exclusions in your policy create the potential for an uninsured loss or limitations for a covered claim. The Property Insurance Carrier recognizes the burden this has placed on chapters remaining closed due to host institution restrictions.

There is good news if your chapter operation will remain closed and vacant if you or your host institution has made the decision to not reopen due to COVID-19. Your facility will not be subject to the vacancy exclusions and limitations in coverage should you have a loss. House Corporations will not need to comply with the specific requirements of the Vacancy Warranties, nor will they need to incur any additional premium because a chapter house is vacant.

While the carrier has agreed not to enforce the Vacancy provisions for facilities closed specifically because of COVID-19, the facilities still face the same risks. From our experience, vacant properties are prone to a higher level of frequency and severity. We are providing you with information that can help you employ appropriate safeguards to reduce the risks associated with the current vacancy. Our recommendations are aligned with those prescribed by the carrier when a property is vacant as they have proven effective in mitigating loss exposures.

Coverage for any loss is subject to all provisions, terms, and conditions of the policy throughout this period.

- If the House Director or other members of the chapter will continue to reside in the chapter house during the period in which the collegiate institution moves to virtual platforms for classes, we ask they make sure the following is done:
 1. Ensure exterior doors and windows are locked and secured and that only authorized personnel can access the facility.



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2. Ensure heat is maintained in geographic areas of the United States which are prone to colder temperatures to significantly minimize the probability of plumbing fixtures freezing and eventually bursting resulting in water damage to the facility.
 3. Ensure that the House Director and/or a chapter member conducts a walk-through of the entire facility daily to ensure that heat is maintained, the facility remains secured and that all plumbing fixtures are fully operational.
- If the chapter house is going to be completely vacant during the period of time in which the collegiate institution moves to virtual platforms for classes, we ask that the House Director (if residing in the local area), chapter member or an alumna/us residing in the local area comply with the following:
 1. Ensure exterior doors and windows are locked and secured and that only authorized personnel can access the facility.
 2. Ensure heat is maintained in geographic areas of the United States which are prone to colder temperatures to significantly minimize the probability of plumbing fixtures freezing and eventually bursting resulting in water damage to the facility.
 3. Ensure that the House Director, chapter member, or local alumna/us conducts a walk-through of the entire facility daily to ensure that heat is maintained, the facility remains secured and that all plumbing fixtures are fully operational.
 4. Drain plumbing and shut off the water if the property does not have a sprinkler system. If the property is sprinklered, shut off supply lines at sinks, toilets, and appliances that have a supply line.
 - If you do not have anyone available to check the property frequently, you may also consider protecting the facility with a 24-hour monitored central alarm system providing:
 - Fire Alarm System
 - Security Alarm System
 - Low Temperature Alarm System;
 - Activated and Monitored Fire Sprinkler System (Sprinklered locations only)
 - Leak Detection system

We recommend limiting access to only 1-2 house corporation members or volunteers during this period.

If your facility is going to be vacant, please contact at us your earliest convenience so we can help walk you through the closure to ensure that you remain compliant throughout your COVID-19 vacancy period. If your property was vacant prior to COVID-19 for any other reason, or you are not reopening for any other reason than your host institution is not reopening because of COVID-19, you must contact us immediately to discuss your coverage.

Updated information on coronavirus/COVID-19 can be found at:

www.coronavirus.gov

https://www.acha.org/ACHA/Resources/Topics/2019_Novel_Coronavirus_2019-nCoV.aspx

Information on campus closures can be found here:

<https://docs.google.com/spreadsheets/d/19wJZekxpewDQmApULkvZRBpBwcn5gZIZF2SEU2WQD8/htmlview?sle=true#gid=0>

QUESTIONS?

For information about your insurance coverage, please contact your Service Team representative at clientservicerequest@holmesmurphy.com.

Holmes Murphy offers this educational information to provoke thought and discussion and it should not be viewed as a mandate or requirement. We view part of our role as an insurance and risk management professional to anticipate your needs and educate you to complement the organization's loss prevention and control efforts, not replace the decision-making autonomy of our client organizations. We hope you find this educational piece to be of value and stand ready to discuss it further with you or any of your constituents.

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