

A GUIDE TO MOLD AND MOISTURE

ADAPTED FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Mold and moisture can be a real problem for property owners and managers. Not only can mold spread and cause a great deal of damage to the physical structure over time, the presence of mold can result in health problems for residents of an affected structure. There are steps you can take to protect both your residents and your property.

Moisture and Mold Prevention and Control Tips:

- When water leaks or spills occur indoors - ACT QUICKLY. If wet or damp materials or areas are dried 24-48 hours after a leak or spill happens, in most cases mold will not grow.
- Clean and repair roof gutters regularly.
- Make sure the ground slopes away from the building foundation, so that water does not enter or collect around the foundation.
- Keep air conditioning drip pans clean and the drain lines unobstructed and flowing properly.
- Keep indoor humidity low. If possible, keep indoor humidity below 60 percent (ideally between 30 and 50 percent) relative humidity. Relative humidity can be measured with a moisture or humidity meter, a small, inexpensive (\$10-\$50) instrument available at many hardware stores.
- If you see condensation or moisture collecting on windows, walls or pipes ACT QUICKLY to dry the wet surface and reduce the moisture/water source. Condensation can be a sign of high humidity.

Actions that will help to reduce humidity:

- Vent appliances that produce moisture, such as clothes dryers, stoves, and kerosene heaters to

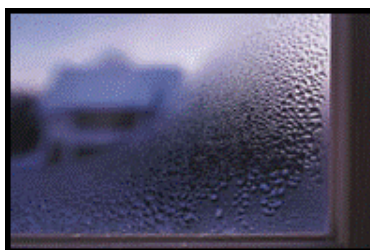
the outside where possible. (Combustion appliances such as stoves and kerosene heaters produce water vapor and will increase the humidity unless vented to the outside.)

- Use air conditioners and/or de-humidifiers when needed.
- Run the bathroom fan or open the window when showering. Use exhaust fans or open windows whenever cooking, running the dishwasher or dishwashing, etc.

Actions that will help prevent condensation:

- Reduce the humidity.
- Increase ventilation or air movement by opening doors and/or windows, when practical. Use fans as needed.
- Cover cold surfaces, such as cold water pipes, with insulation.
- Increase air temperature.

If your property does experience mold or moisture damage, consult a qualified professional to assist you in the clean up process. For more information, contact Steve Wilson, Manager of Claims for Willis at swilson@willis.com.

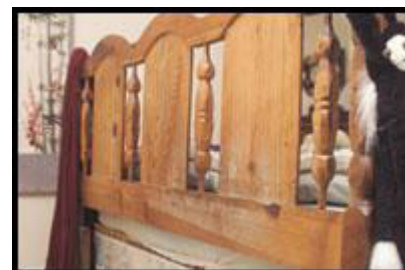


Condensation on the inside of a window



Rust from condensation on a drainpipe

Mold growing on the surface of a unit ventilator



Mold growing on a wooden headboard in a room with high humidity

AIR CONDITIONER START UP

WHAT YOU NEED TO KNOW

This convenient Air Conditioning Checklist has been designed by Hartford Steam Boiler to help maximize reliability, economy, and fuel conservation in the operation of this kind of equipment.

A great many failures of air conditioning systems take place at start-up or early in the cooling season because of inoperative controls or safety devices. Most of these accidents could have been prevented if a little more attention had been paid to readying the equipment for service. We therefore recommend that the following measures be taken to ensure a trouble-free cooling season and reduce the likelihood of equipment malfunction.

The tips offered here are intended to complement and not replace the recommendation of the equipment manufacturer.

COMPRESSORS:

- Energize the crankcase heaters for at least eight hours before start-up and before taking insulation resistance readings of hermetic motor windings. Crankcase heaters should be left energized for the rest of the season so that whenever the compressor is idle, the heater

will prevent refrigerant “migration” to the crankcase.

- Test the lubricating oil for color and acidity, and check crankcase oil level.

MOTORS:

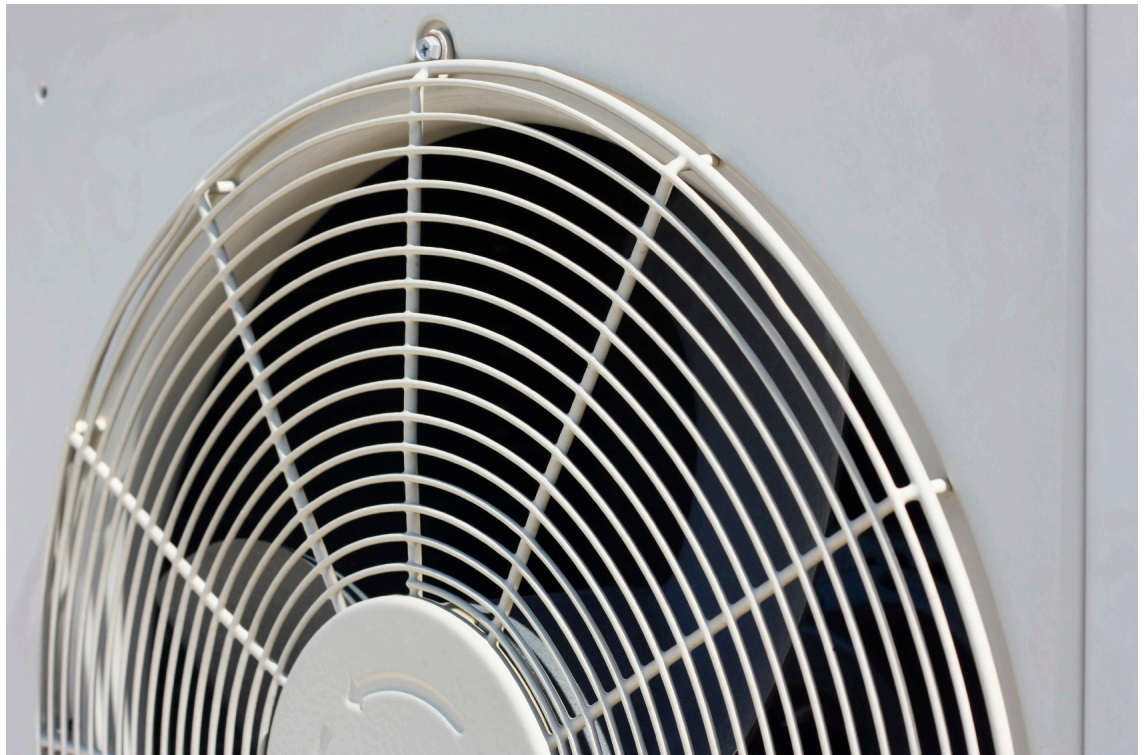
- Check the air passages of open motors for cleanliness and obstructions.
- Check the condition of and lubricate bearings.
- Take insulation resistance readings. If the readings indicate less than one megohm resistance, don't start the motor. Check for the cause of the low resistance.

MOTOR CONTROLS:

- Inspect starter contacts for deterioration from short cycling, arcing, or corrosion.
- Check terminal connections for tightness.
- Examine the overload protection for defects, and for proper size.
- Check mechanical linkages for binding and excessive looseness.
- Check timing devices for correct operating sequence.

OPERATING AND SAFETY CONTROLS:

- Determine that the controls are properly calibrated and in working order particularly thermostatic controls, oil pressure safety switches and flow switches.



COVERAGE CORNER

Being Prepared: The Benefits of a Business Personal Property Inventory

Lessons learned after a loss happens are stressful and can create financial havoc for your chapter. A lesson many have learned after a loss has occurred is the stress of documenting a business personal property claim and the financial impact of being underinsured. The commitment of a little time and attention to detail in the development of a Business Personal Property Inventory can help avoid this from happening to you and your chapter.

An inventory of the House Corporation's Business Personal Property assists in two primary ways:

- It is a tool to properly assess the House Corporation's needs regarding insurance for its Business Personal Property. After you have completed an inventory, compare it to the current limit purchased under the House Corporation's Commercial Property Insurance Policy.
- If a loss should occur, it will be a significant time saver when settling the claim with the insurance adjuster.

A few helpful tips can make completing a comprehensive inventory easier and more accurate:

- Create your inventory room by room. Breaking any large project down into components is a key to it being completed timely and accurately. By completing the inventory room by room, the chances items are missed is reduced resulting in a more accurate, detailed inventory.
- Provide specifics within the inventory. Describe the property in detail. Where applicable, provide the make, model number, serial number, date of purchase and where it was purchased. With detailed records, you will be assured if a loss happens; the property will be replaced with property of equivalent like, kind and quality. It will also be helpful when determining the appropriate replacement value of the House Corporation's contents for insuring purposes.
- Use today's technologies to your advantage:
 - Retain receipts. For significant purchases, it is recommended receipts be retained. In today's digital age, receipts can easily, quickly and efficiently be retained by scanning them and saving them as PDF file or other image.



- Keep visual records in addition to the inventory. Photograph or video tape the items. Be sure to properly label each item photographed or video taped. While you might be the one documenting the House Corporation's Business Personal Property, you might not be the one using it to provide documentation needed to settle an insurance claim.
- Once you have completed the necessary steps, save the records in a safe place. It is also recommended, more than one person on the House Corporation Board retain copies.
- Make sure to update it annually. The hard work is getting the initial inventory done, but it does not stop there. Take the time prior to each year's renewal to update your inventory. Remove items which are no longer owned or worth insuring and make sure recent purchases have been added.

A sample Business Personal Property Inventory worksheet is available for downloading at www.WillisFraternity under the Risk Management Resources section of the website.

Need Property or Liability Insurance?

Our FPMA Insurance Program is just what you need!

For more information/quotation

contact:

Tiffanie Havelka

thavelka@willis.com 1.800.736-4327 ext. 4191

www.WillisFraternity.com

www.WillisSorority.com

FINE ARTS COVERAGE

DO YOU HAVE IT/DO YOU NEED IT?

By Rohnda Roehrs, Vice President - Client Management for Willis

Protecting your fine arts includes making sure that they are adequately covered by insurance. Fine Arts include paintings, sculptures, folk art, multimedia art, antiques, oriental rugs, and small collectibles such as figurines etc. Because the value of fine arts is based both on authenticity and condition, good documentation is essential. A problem common to fine arts is valuation.

In most insurance policies a separate policy or a separate limit for fine arts must be declared in order to provide more than minimal coverage under a commercial property policy.

The Fraternal Property Management Association Replacement Cost policy, under Business Personal Property, includes personal property in the facility owned or leased by the House Corporation or Chapter. This includes fine arts and composites on display or stored in the facility. It does not include personal property owned by your tenants. This coverage is written on an Agreed Amount basis, unless we receive a Replacement Cost Inventory from you.

If we receive an itemized inventory of your business personal property listing each item and a reasonable estimate of replacement cost, and you are notified it is approved, RSUI Indemnity Company will provide Guaranteed Replacement Cost on these items. Contact your Client Manager at Willis to discuss your specific needs.

**WHEN INSURING YOUR
FINE ARTS AND BUSINESS
PERSONAL PROPERTY, THE
KEY IS TO THINK AND PLAN
AHEAD.**

When insuring your fine arts and business personal property, the key is to think and plan ahead. Make certain that that your Business Personal Property limits are sufficient to coverage all of your valuables as well as all your other business personal property. We recommend fine arts of a high value and/or "one of a kind" items be appraised by a professional appraisal company to establish an accurate market or reproduction/replication cost. Also keep detailed records of your fine arts, including information about each work of art and keep multiple clear photographs of each item. The appraisal and all other information should be retained by the House Corporation in a safe place away from your facility and provide a copy to Willis when remitting your completed Replacement Cost Inventory.



While insurance may cover theft, fire or water damage, other things such as gradual deterioration, such as fading or cracking will not be covered. Some recommendations for protecting your art are:

Ultraviolet light will cause severe and often irreversible damage to art, especially paper, textiles and photographs. Shut all lights when the room is not being used, and keep curtains or shades drawn. In rooms containing many fine art items, consider installing UV filtering film on windows.

- Keep your facility at a constant temperature of approximately 75 degrees Fahrenheit and 55% relative humidity. Never hang artwork or a valuable object over a fireplace. Heat, smoke and ash can easily ruin artwork.
- Install water alert sensors in areas of your facility that are susceptible to water damage, such as above ceiling trays and underneath washers and dryers and radiators.
- Install smoke detectors within 100 feet of the objects you wish to protect.
- Do not store fine art or carpets in basements or attics. These parts of the facility are susceptible to dramatic temperature changes, flooding and leaks.

For more information on property coverage, please go to our website, www.WillisFraterniyn.com

FPMA clients: did you know . . . your policy number may not be unique to your organization due to the Master Policies that renew on 4/1 every year? When remitting payment, please include your Client Number which may be located in the top right hand side of your invoice or statement so your payment may be applied properly.