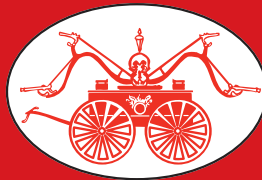


# Bed and Breakfast Program



**LOUDOUN MUTUAL**  
INSURANCE COMPANY

*A Tradition of Serving Virginians Since 1849*

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# Continuing our tradition of service to Virginians, Loudoun Mutual has developed a comprehensive package of coverages specifically designed to insure Bed and Breakfast operations located throughout the Commonwealth of Virginia

This brochure is intended to provide a summary of some of the coverages available in the Loudoun Mutual Bed and Breakfast Program. As always, it is best to refer to the actual policy for coverage specifics. Here are some of the highlights of the Bed and Breakfast program:

## Building Coverage

Loudoun Mutual can insure your bed and breakfast whether or not you live there. In some cases determining a true reconstruction cost on older, unique, B&B properties is not practical or feasible. To address this issue, we offer three different ways to determine the amount of coverage needed for the building. Coverage for buildings can be written on a replacement/reconstruction cost, agreed upon value, or actual cash value basis. The buildings on the property are insured against all fortuitous direct losses not excluded. Included with the building is coverage for permanently installed equipment such as air conditioning units and there is automatic coverage for additions/renovations under construction. Unless "opted out," the standard Loudoun Mutual Bed and Breakfast policy also includes coverage for equipment breakdown as well as coverage for the building's boiler. The boiler inspection required by the state is automatically included as part of this coverage.

## Personal Property Coverage

This coverage is for nonpermanently affixed property that is owned or used in the operation of the Bed and Breakfast. Coverage for the owner's personal effects is included. The base policy provides coverage for specified occurrences or "perils", but the policy can be endorsed to provide "expanded coverage" for personal property against all fortuitous direct losses not excluded. Purchasing the "expanded" personal property coverage is encouraged.

## Loss of Income Coverage

Automatically included in the Bed and Breakfast policy is \$50,000 loss of business income coverage. Higher limits are available. The coverage is designed to pay for continuing operating expenses like payroll, utilities, rents, loss of rental income, and reasonable extra expense coverage to help the bed and breakfast get back in operation as soon as possible after a loss.

## Money and Securities Coverage

\$5,000 in money and securities coverage is automatically included. Coverage is provided for theft of money both on and off the building premises.

## Liability Coverage

This provides coverage for acts of negligence and includes coverage to hire an attorney to defend the Bed and Breakfast owners. It provides incidental coverage for parking autos and supplemental coverage for liability from non-owned autos being used in activities related to the operation of the Bed and Breakfast. Also included is personal injury coverage for allegations of advertising injury, libel and slander.

## Medical Payments to Others Coverage

Regardless of fault, the Bed and Breakfast Program automatically provides \$5,000 medical payments coverage for guests and visitors resulting from an incident that occurs on the premises or out of Bed and Breakfast operations.



**It is important to know that all Bed and Breakfast insurance is not the same. The standard coverage found in our program is designed to meet the needs of Bed and Breakfast operations and can be tailored to meet the specific requirements of all types of Bed and Breakfast operations.**

## Some of the coverage enhancements that come standard with Loudoun Mutual's Bed and Breakfast program include:

### **Building Code/Ordinance of Law Coverage – Automatically Included**

Many older properties are not up to the current building codes. Unlike the standard insurance programs, the Bed and Breakfast Program automatically includes an additional coverage to pay for building code upgrades that become necessary after a covered loss.

### **Food Spoilage**

When there is a loss of utility service or a mechanical equipment breakdown, coverage is provided for the consequential food spoilage loss. A base limit is included in the policy with higher limits available.

### **Food Contamination, Consequential Loss**

If a Bed and Breakfast operation would need to close due to food contamination, our program provides coverage for the cleaning of equipment, medical care for guests, and it even provides coverage for increased advertising expense to restore the B&B reputation.

### **Guest Relocation**

In the event the Bed and Breakfast is closed due to a covered claim event, the B&B program provides coverage for the expenses to relocate guests to comparable lodging.

### **Water Damage-Sewer/Drain Back Up**

\$25,000 in building coverage is extended to cover the losses from water or sewage that backs up through sewers, drains, or overflows from a sump.

### **Lock Replacement**

Our Bed and Breakfast program provides coverage to replace locks, lock tumblers or similar devices at the B&B due to the loss or theft of door keys. No deductible applies to this coverage.

### **Loss of Income from Dependent Property**

A coverage enhancement included in our B&B program is reimbursement for the loss of business income and related incurred expenses resulting from a covered loss to a dependent property that causes interruption to the B&B's operations.

### **Loss of Income from Interruption of Computer Operations**

If the Bed and Breakfast's operations are interrupted due to the destruction or corruption of electronic data by a covered loss, computer hacking or computer virus, coverage is extended under the B&B program for the loss of business income and related expenses.

### **Vehicle Coverage**

Personal property coverage is extended to cover the unlicensed vehicles that are used to service the B&B.

### **Guest Personal Property**

An enhancement to liability coverage provided in the Bed and Breakfast program is coverage for damage or loss of guest property while on the B&B premises.

### **Incidental Alcoholic Beverage Coverage**

If a license is not required and alcoholic beverages are provided to guests without charge, liability coverage for the serving of alcoholic beverages is automatically extended in our B&B program. This coverage must be specifically purchased if the B&B charges for alcohol.

### **Other Coverages are Included and Increased Limits are Available**

Our program was designed specifically for B&B operations. The program's coverages can be increased and tailored to meet the unique requirements of most B&Bs.

## Why You Should Choose Loudoun Mutual Insurance Company

Loudoun Mutual has been insuring Virginians since 1849 and is one of the top property insurance writers in Virginia. Because we are a mutual insurance company, owned by and operated for the benefit of our policyholders, Loudoun Mutual is committed to providing its policyholders with broad coverages, flexible payment plans, excellent service (especially when you have a claim) and affordable, competitive pricing. Since 1849 Loudoun Mutual has built a tradition of financial stability and service to our policyholders. We are committed to being there for you when you need us.

Loudoun Mutual is represented throughout the Commonwealth of Virginia by a network of professional independent insurance agents. Their insurance knowledge and local expertise means your insurance policy is specifically designed to meet your needs. To find a Loudoun Mutual agent near you, either visit the company website at [www.loudounmutual.com](http://www.loudounmutual.com) or telephone us at 800.752.3458. One of the Loudoun Mutual advantages is a real person will be there to answer your call 24 hours a day seven days a week.

Loudoun Mutual Insurance Company is rated A (Excellent) by AM Best, the premier insurance rating organization. Through conservative investing, the use of technology, and prudent risk selection, Loudoun Mutual is committed to continuing its Tradition of Service. Contact a local Loudoun Mutual Agent to discuss how Loudoun Mutual can help protect your home today!

### Loudoun Mutual Also Insures Other Types of Property

As Virginia's property insurance specialist, Loudoun Mutual is one of the leading writers of home and farm insurance in Virginia. Along with offering insurance policies for homes, farms, rental properties and umbrella liability, Loudoun Mutual has programs designed specifically for churches, farm wineries, manufactured housing, condominiums and many commercial risks.