

Scholastic Electronic Equipment Coverage



In partnership with Risk Placement Services and Arthur J. Gallagher, CGHS will be purchasing insurance for devices that have been provided by the school. This will help keep student laptops properly protected whether in the classroom or in the custody of students off campus. The insurance will be provided for the duration of each student's high school career.



Program Highlights:

- *Covers all school issued laptops
- *Covers equipment both on-premises, off-premises and while in the custody of students
- *Covers Theft
- *Deductible of \$250 any one computer; \$2,500 any one occurrence
- *Flood & Earthquake Coverage Automatically included
- *Covers Equipment Breakdown
- *World-wide coverage

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043012

Electronic Equipment Insurance 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 the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

In return for your payment of the premium shown in the Declarations which are part of this policy, we provide the coverage described herein subject to all the conditions of this policy. This coverage is also subject to the additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records. Endorsements and schedules may also apply as identified in the Declarations or schedule of coverages.

A. Coverage

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

Covered Causes of Loss means Risks of Direct Physical Loss or Damage to Covered Property from any external cause except those causes of loss listed in the Exclusions.

1. Covered Property

- a. Covered Property means:
- (1) Electronic Equipment described in the Declarations for this coverage that you own or for which you are liable.

2. Property Not Covered

Covered Property does not include:

- Aircraft, watercraft, automobiles, motor trucks licensed for highway use, motorcycles, motor scooters, or any other vehicles designed primarily for highway use, (including motors, equipment and accessories).
- Property rented or leased to others.
- Accounts, bills, evidences of debt, money, valuable papers, records, abstracts, deeds, manuscripts, or other documents, except as they have been converted to Data Processing Media form, and then only in that form.
- Vacuum Tubes and Gas Tubes.
- "Property while waterborne", unless on transporting land conveyances aboard any regular ferry operating on inland waterways.
- Contraband, or property in the course of illegal transportation or trade.

3. Covered Causes of Loss

4. Additional Coverages

a. Debris Removal Coverage

- (1) We will pay your reasonable 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; plus the deductible in this policy applicable to that loss or damage; or
 - (b) The applicable Limit of Insurance.

But 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. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following exclusions. 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. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All Earth Movement events that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

Earth Movement exclusions as described in b.(1) through (5) do not apply to covered property while away from your premises.

b. 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.

c. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. 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.

d. 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.

e. 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.

Water exclusions as described in f.(1) and (2) do not apply to covered property while away from your premises.

f. 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;

g. 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.g.** 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. Delay, loss of use, loss of market or any other consequential loss.
- b. Unexplained disappearance.
- c. Shortage found upon taking inventory.
- d. Dishonest or criminal act committed by:

- (1) You, any of your partners, employees, directors, trustees, or authorized representatives;
- (2) A manager or a member if you are a limited liability company.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

- e. Neglect of an insured to use all reasonable means to save and preserve property from further damage at or after the time of loss.
- f. Rust or other corrosion unless caused by a covered cause of loss.

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage to Covered Property by a Covered Cause of Loss results, we will pay for the loss or damage to Covered Property 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. Wear and tear.
 - d. Any quality in the property that causes it to damage or destroy itself, hidden or latent defect, or gradual deterioration.
 - e. Insects, birds, rodents or other animals.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

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

1. **Debris Removal Coverage** 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 the Debris Removal Additional Coverage;

we will pay up to an additional \$100,000 or 10% of the limit of insurance whichever is less.

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.

If more than one deductible is applicable under this Coverage Form, we will only apply the highest amount that is applicable.

E. Additional Conditions

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

a. Actual Cash Value

- (1) If a loss occurs and the Valuation Basis shown in the Declarations applicable to this Covered Property is Actual Cash Value:

(a) We will determine the value of the lost or damaged property at Actual Cash Value as of the time of the loss or damage, except as provide below.

- (2) We will not pay more for loss or damage on an Actual Cash Value basis than the least of the following:

(a) The Limit of Insurance applicable to the lost or damaged property;

(b) The cost to replace the lost or damaged property with other property;

- (i) Of comparable material and quality; and
- (ii) Used for the same purpose; or

(c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

b. Replacement Cost

(1) If a loss occurs and the Valuation Basis shown in the Declarations applicable to this Covered Property is "Replacement Cost":

(a) We will determine the value of the lost or damaged property at "Replacement Cost" at the time of loss or damage, except as provided below.

(b) You may make a claim for loss or damage covered by this insurance on an Actual Cash Value basis instead of a "Replacement Cost" basis. In the event you elect to have the loss or damage settled on an Actual Cash Value basis, you may still make a claim for the additional coverage which "Replacement Cost" provides if you notify us of your intent to do so within 180 days after the loss or damage.

(2) We will not pay on a "Replacement Cost" basis for any loss or damage:

(a) Until the lost or damaged property is actually repaired or replaced; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

(3) We will not pay more for loss or damage on a "Replacement Cost" basis than the least of the following:

(a) The Limit of Insurance applicable to the lost or damaged property;

(b) The cost to replace the lost or damaged property with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

c. Operational Replacement Cost

(1) If a loss occurs and the Valuation Basis shown under the Schedule is "Operational Replacement Cost":

(a) We will determine the value of the lost or damaged property at "Operational Replacement Cost" as of the time of the loss or damage, except as provided below.

(b) You may make a claim for loss or damage covered by this insurance on an Actual Cash Value basis instead of an "Operational Replacement Cost" basis. In the event you elect to have loss or damage settled on an Actual Cash Value basis, you may still make a claim for the additional coverage which "Operational Replacement Cost" provides if you notify us or your intent to do so within 180 days after the loss or damage.

(c) However, for "Operational Replacement Cost" to apply the following requirement must be met:

(i) There must be a total loss of the current item. If a partial loss occurs to an item covered under "Operational Replacement Cost", we will pay as if the item were insured for "Replacement Cost" as explained under Clause E.1.b. of this Form.

(d) We will not pay more for loss or damage on an "Operational Replacement Cost" basis than the least of the following:

(i) The Limit of Insurance applicable to the lost or damaged property;

(ii) The cost to replace, on the same premises, the lost or damaged property with other property:

1. Of comparable material and quality; and
2. Used to perform the same functions; or

(iii) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

(e) You may have other insurance covering the same property as this insurance. This insurance is primary and will not contribute with any insurance except for other "Operational Replacement Cost" Insurance.

d. Property of Others

At our option, any loss or damage to property of others may be adjusted with and paid to the owner of the property.

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;
 - (b) The District of Columbia;
 - (c) Puerto Rico; and
 - (d) Canada.

b. 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:

- (1) Multiply the value of the Covered Property at the time and location of the loss or damage by the Coinsurance percentage;
- (2) Divide the Limit of Insurance for the Covered Property at the location by the figure determined in Step (1);
- (3) Multiply the total amount of loss or damage at the location, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) 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.

If one Limit of Insurance applies to two or more separate locations, this condition will apply to the total of all property at all such covered locations.

G. Definitions

1. "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.
2. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
3. "Money" means currency, coins and bank notes.

4. "Operational Replacement Cost" means the cost to replace the lost or damaged property with new property intended to perform the same function.
5. "Replacement Cost" means the cost to replace with new Property of comparable material an quality and used for the same purpose without deduction for depreciation.
6. "Property while waterborne" means any property on or within any vessel supported, carried or otherwise moved by any water.
7. "Flood" means (1) the overflow of water from any natural or man-made body or stream of inland or tidal waters, (2) the accumulation of surface waters from any source, (3) any earth movement, or mudslide caused by or resulting from the accumulation of water on or under the surface of the ground.