

# EQUIPMENT BREAKDOWN INSURANCE BINDER



## **Tipton Community School Corporation**

1051 S Main Street  
Tipton, IN 46072

**Effective: 4/26/2021 - 4/26/2022**

**Prepared for: ASSUREDPARTNERS OF INDIANA LLC**

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**Policy Number: YB2-L9L-472883-011**

If you have questions regarding this binder please contact:

**Christina Chan or Kathy Podosek**

To request a Jurisdictional Inspection please call 877-526-0020 or email: [LMEBInspections@libertymutual.com](mailto:LMEBInspections@libertymutual.com)

# EQUIPMENT BREAKDOWN INSURANCE BINDER

<b>Date Issued</b>	4/15/2021		
<b>Effective Date</b>	4/26/2021	<b>Expiration Date</b>	4/26/2022
<b>Insured's Name</b>	Tipton Community School Corporation		
<b>Insured's Address</b>	1051 S Main Street		
<b>City/State/Zip</b>	Tipton, IN 46072		
<b>Policy Number</b>	YB2-L9L-472883-011		

**Covered Premises:** This binder applies to the locations listed in the Statement of Values on file with us.

Insurance applies only to a coverage for which a Limit of Insurance, a number of Days/Hours or the word <b>INCLUDED</b> is shown. If <b>INCLUDED</b> is shown, then the limit for that coverage is part of the Limit Per Breakdown.	
<b>Coverage</b>	<b>Limit Of Insurance Or Days/Hours</b>
<b>Limit Per Breakdown</b>	\$100,000,000
1. <b>Property Damage</b>	Included
2. <b>Expediting Expenses</b>	\$500,000
3. <b>Business Income</b>	\$3,995,000
a. Extra Expense	Combined with Business Income
b. Extended Period Of Restoration(# Of Days Of Coverage)	60 <b>Days</b>
c. Data Or Media	\$100,000
4. <b>Spoilage Damage</b>	\$250,000
5. <b>Utility Interruption</b> The maximum limit for Utility Interruption, subject to any applicable lower coverage limits, including business income, extra expense, and/or spoilage, respectively)	\$250,000
Coverage applies only if the interruption of services lasts at least:	24 <b>Hours</b>
6. <b>Newly Acquired Premises</b>	\$1,000,000
a. (Number Of Days Of Coverage)	90 <b>Days</b>
7. <b>Ordinance Or Law</b>	\$500,000
8. <b>Errors And Omissions</b>	Included
9. <b>Brands And Labels</b>	Included
10. <b>Contingent BI and/or EE</b>	Excluded
a. Covered Premises:	
b. Delivery of Services or Materials; or Sales:	

Unless a higher limit or **INCLUDED** is shown, the most we will pay for direct damage to covered property is \$25,000 for each of the following. These limits are part of, not in addition to, the Property Damage or Limit Per Breakdown.

<b>Coverage Limitations</b>	<b>Limit Of Insurance</b>
<b>Ammonia Contamination</b>	Combined with Spoilage
<b>Consequential Loss</b>	\$100,000
<b>Data And Media</b>	\$100,000
<b>Hazardous Substance</b>	\$250,000
<b>Water Damage</b>	\$250,000

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Limited Coverage for Fungus, Wet Rot and Dry Rot	
Limit	\$15,000
Business Income and/or Extra Expense – Number of Days	30 Days
Increased Cost of Loss and Related Expenses for “Green” Upgrades	
Property Damage Limit	\$100,000
Business Income and/or Extra Expense – Number of Days	30 Days
Conditions And Optional Coverages	
Business Income Report Date	
Business Income Annual Value	
Business Income Coinsurance Percentage	Waived
Diagnostic Equipment (Included Or Excluded)	Included
Equipment Breakdown Enhancement Endorsement (See attached form for full details) – Key Enhancements include:	Included
<ul style="list-style-type: none"> <li>- Civil Authority extension within 100 miles/4 weeks</li> <li>- Ingress/Egress - \$250,000 sublimit</li> <li>- Claim Preparation Fees - \$250,000 sublimit</li> <li>- Dependent Location extension for Contingent BI/EE</li> <li>- 150% replacement cost for Safety Improvements</li> </ul>	
Deductibles	
Combined Deductible	
Property Damage Coverages	\$5,000
Business Income	24 Hours
Extra Expense	Included in BI
Spoilage	Included in PD
Other:	

## Other Conditions/Additional Coverage Extensions/Restrictions:

Exclusion Amendatory Endorsement
Limit of Insurance Off Premises Equipment Coverage: \$100,000
Electronic Circuitry Impairment Endorsement

Premium / Agency Billed	
Policy Term Premium	\$3,508
State Fees and Surcharges	\$0*
Total Policy Term Premium with State Fees and Surcharges	\$3,508

\*Taxes are estimated and subject to change at time of policy production due to a change in tax rates or location addition/deletions in different tax territories.

**TIV as Submitted: \$101,256,052**

THIS INSURANCE IS SUBJECT TO THE TERMS, CONDITIONS AND LIMITATIONS OF THE POLICY(IES) IN CURRENT USE BY LIBERTY MUTUAL FIRE INSURANCE COMPANY. This Binder may be cancelled by you surrendering this Binder or by written notice to us stating when cancellation will be effective. We may cancel this Binder by notifying you in accordance with the policy conditions. This Binder is cancelled when replaced by a policy. If this Binder is not replaced by a policy, we are entitled to charge premium according to the Rules and Rates in use by us.

# PowerPro Select™

## EQUIPMENT BREAKDOWN INSURANCE BINDER



Issued by Liberty Mutual Fire Insurance Company

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### **EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

#### **EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM**

**A.** The following coverage(s) are added to **A.2. Coverages Provided** of the EQUIPMENT BREAKDOWN PROTECTION COVERAGE FORM:

#### **k. Civil Authority**

If the Declarations show you have business income and/or extra expense coverage:

- (1)** The applicable coverage is extended to cover loss caused by the action of civil authority that prohibits access to the premises described in the Declarations. The action of civil authority must directly result from a "Breakdown" to "Covered Equipment" or to equipment of the type covered by this policy that is located within 100 miles of a premise shown in the Declarations.
- (2)** Coverage provided under **(1)** above will commence 24 hours after the time of the civil authority action and will continue until the earlier of:
  - a.** 4 consecutive weeks thereafter; or
  - b.** The date access is restored.

#### **l. Ingress/Egress**

We will pay for the actual loss of business income that you sustain if your ingress to, or egress from the premises described in the Declarations is prevented as a direct result of a "Breakdown" to "Covered Equipment" or to equipment of the type covered by this policy that is located off of the premises described in the declarations. This coverage does not apply if the ingress to or egress from your premises is prohibited by civil authority.

The most we will pay for actual loss of Business Income you sustain under this coverage is \$250,000.

#### **m. Claim Preparation Fees**

- (1)** We will pay the reasonable expenses that you incur when we require you to provide us with property value assessments, income statements, and other related documentation to show the extent of loss. This includes the cost of taking inventories, assessing property values, preparing income statements, and preparing other similar documentation.

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(2) We will not pay for:

- a. Any expenses incurred for, billed by or payable to attorneys or adjusters, or their associates or subsidiaries
- b. Any costs in connection with **E. Conditions, 1 Loss Conditions, b. Appraisal**; or
- c. Any expenses incurred for, billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.

(3) The most we will pay for preparation of claim data expenses under this Coverage Extension in any "One Breakdown" is \$250,000. This limit is part of, not in addition to, any applicable Limit per Breakdown as shown in the Declaration.

**B. Item f. (4) Newly Acquired Premises of A.2. Coverages Provided** is deleted and replaced by the following:

**f.(4)** The limit available for this coverage is the amount shown as the Newly Acquired Premises Limit in the Declarations. If the coverages and deductibles vary for existing premises, then the coverages for the newly acquired premises will be the broadest coverage and highest limits and deductible applicable to the existing premises. However, in no circumstance will the limit available for the newly acquired premises exceed the amount shown as the Newly Acquired Premises Limit in the Declarations.

**C. Item j. Contingent Business Income and Extra Expense or Extra Expense Only Coverage of A.2. Coverages Provided** is deleted and replaced by the following:

**j. Dependent Location**

If you have selected the Business Income Coverage Extension or Extra Expense Coverage Extension, that applicable coverage is extended to cover loss caused by the necessary partial or total interruption of your business during the "Period of Restoration" for a "Dependent Location". The interruption must be caused by direct physical loss or damage at a "Dependent Location," shown in the Declarations or elsewhere in this Coverage Part, caused by or resulting from "Breakdown" to equipment of the type insured by this policy.

However, coverage under this Coverage Extension does not apply when the only loss to "Dependent Location" is loss or damage to "Electronic Data, including destruction or corruption of "Electronic Data".

"Dependent Location" means property operated by others whom you depend on to:

- (1) Deliver materials or services to you or to others for your account. But any property which delivers any of the following services is not a Supplying Location with respect to such utility services: air conditioning, communication services, electric power, gas, heating, refrigeration, steam, water or waste treatment.

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- (2) Accept your products or services;
- (3) Manufacture products for delivery to your customers under contract of sale; or
- (4) Attract customers to your business.

**D.** The last paragraph of **7. Increased Cost of Loss And Related Expenses For "Green" Upgrades** of section **C. Limits Of Insurance** is deleted and replaced by the following:

Unless a different limit or INCLUDED is shown in the Declarations, the most we pay under this "Green" upgrades coverage is an amount equal to 50% of the total Property Damage loss otherwise recoverable.

**E.** Item **I. (2) Valuation** of **E.1. Loss Conditions** is deleted and replaced by the following:

If "Covered Equipment" requires replacement due to a "Breakdown", we will pay the additional cost to replace the equipment with equipment that we and you agree improves the environment, increases efficiency or enhances safety while maintaining the existing function, subject to the following conditions:

- (a) We will not pay more than one hundred fifty percent (150%) of what the cost would have been to replace with like kind and quality;
- (b) We will not pay to increase the size or capacity of the equipment;
- (c) This provision only applies to property damage coverage;
- (d) This provision does not increase any of the applicable limits;
- (e) This provision does not apply to any property valued on an "Actual Cash Value" basis; and
- (f) This provision does not apply to the replacement of component parts.

**F.** Item **16. "Period of Restoration"** under **F. Definitions** is deleted and replaced with the following:

**16.** "Period of Restoration" means the period of time that:

- a. Begins at the time of the "Breakdown"; and
- b. Ends on the earlier of:
  - (1) The number of consecutive days indicated for the applicable "Period of Restoration" shown in the Declarations or elsewhere in this Coverage Part after the date when the property at the Covered Premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - (2) The date when business is resumed at a new permanent location.

## EQUIPMENT BREAKDOWN INSURANCE BINDER



### ***OUR EQUIPMENT BREAKDOWN INSURANCE EXPERTISE***

As part of the Liberty Mutual Group, our focus is on partnering with you to help keep your business in business. We do this by providing broad equipment breakdown insurance coverage, financial stability, and expert loss prevention and claims services.

We operate with an eye toward delivering a customer experience that sets us apart from our competitors. It is the combination of our people, their experience, and our commitment to knowing our business and understanding yours that helps us deliver smart solutions in a responsive manner.

Some of the services that Liberty Mutual is capable of providing include, but are not limited to:

#### **Underwriting**

##### **Quantifying Your Exposures & Costs**

Policies issued in a timely basis  
Endorsements issued in a timely basis  
Welcome Kits For New Customers  
Comprehensive Stewardship Reports  
Calls returned within 48 hours

#### **Loss Prevention**

##### **Identifying & Reducing Your Exposures**

Risk Engineering Surveys  
Jurisdictional Boiler and Pressure Vessel  
Inspections (as required)  
Boiler and Machinery Loss Prevention Visits  
Account Engineering and Stewardship  
Infrared testing, vibration analysis, and  
dielectric fluid testing through an alliance  
with vendors who can expertly provide  
those services (available upon request)

#### **Claims**

##### **Indemnifying you Promptly & Fairly**

24 Hour Contact From Loss Notice  
Prompt Site Visit  
Prompt Advance Payments  
Payment Within 7 Days of Settlement  
Aggressive Subrogation Pursuit  
Pre-Loss Visits  
Claims Satisfaction Surveys  
Written Acknowledgement of Claim Within 10  
Business Days of Loss Notice

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### ***OUR FINANCIAL STABILITY***

When you have a loss you need a partner that will be there – that partner is Liberty Mutual.

“Helping people live safer, more secure lives” since 1912, Liberty Mutual Insurance, a diversified global insurer, is one of the largest property and casualty insurers in the U.S. and is consistently ranked on the Fortune 100 list of largest U.S. corporations based on revenue. Liberty Mutual offers tailored insurance and risk management solutions to businesses of all types and sizes.

# PowerPro Select™

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### ***OUR FLEXIBLE COVERAGE DESIGN***

This proposal features the Liberty Mutual PowerPro Select™ policy. PowerPro Select™ combines equipment breakdown coverage for property damage, spoilage and contamination, business interruption, extra expense and utility interruption into one form, making it easier for you to create an insurance program customized to fit your particular business needs.

We are providing you with a specimen form in an effort to better assist you in making an informed decision regarding your commercial property insurance needs.

Our commitment to smart risk management solutions that fit your business needs goes beyond the policy of insurance we will issue to you if you elect us as your equipment breakdown insurer for your upcoming policy period. We understand, though, that the policy itself is the cornerstone of our business relationship, therefore we wanted to give you a chance to see how that policy may look.

This draft policy, however, is for informational purposes only, and does not alter, amend, modify, replace or supersede in anyway any of our dealings, agreements or arrangements to date, including any binders or policies of insurance that have been issued (or may be issued in the future).

In addition, this draft policy may not include all of the endorsements that would be part of the actual policy, including various state amendatory endorsements.

Please consult any actual binder(s) or policy(ies) of insurance with respect to your coverage.

Thanks for considering Liberty Mutual for your equipment breakdown insurance needs.

Sincerely,

Liberty Mutual