

July 25, 2005

TO: District Superintendents and Business Managers
SISC II Member Districts

FROM: J.B.Jett, Chief Administrative Officer

This will verify that insurance coverage for your school district is in force as follows:

LIABILITY COVERAGE - To pay on behalf of the insured all sums which the insured shall become obligated to pay as damages by reason of the liability imposed by law or the liability of others assumed or retained under contract because of injury sustained by any person or persons and for damages to or destruction of property of others including loss of use thereof caused by an occurrence.

Deductible - Your district has a \$1,000.00 deductible applicable per occurrence on each claim/loss.

Liability Limits - Under Memorandum of Coverage No. SLP 7105 06, effective 7-1-05 to 7-1-06, SISC II provides \$1,500,000.00 limits over the district's deductible. Excess coverage is provided by private carrier, to the level of \$48,500,000.00 in excess of \$1,500,000.00 limit per occurrence for a total of \$50,000,000.00.

Coverage Applies To:

1. Named covered party (District)
2. Officers and members of governing board
3. Employees
4. Volunteers
5. Student body organizations and auxiliary organizations

Coverage Is Afforded For:

1. Premises Liability
2. Operations Liability
3. Professional Liability
4. Products Liability
5. Contractual Liability
6. Errors & Omissions
7. Employment Practices Liability

Coverage is written on an occurrence form for bodily injury (B.I.), property damage (P.D.), and personal injury (P.I.).

AUTOMOBILE COVERAGE - Under Memorandum of Coverage No. SAP 7105 06, effective 7-1-05 to 7-1-06, SISC II provides coverage for owned autos, hired autos, borrowed autos and non-owned autos.

SISC II has a \$1,500,000.00 self-insured retention (S.I.R.) over the district's \$1,000.00 deductible feature per accident. Excess coverage is provided by private carrier, to the level of \$48,500,000.00 in excess of

\$1,500,000.00 for a total of \$50,000,000.00 limit per accident.

Coverage includes:

1. Auto liability
2. Collision loss
3. Comprehensive
4. Garage liability
5. Garage keepers' legal liability

PROPERTY COVERAGE - Applies to all property of the insured including both real and personal property and including personal property of others for which the insured is liable under policies issued by Discover Specialty Insurance Company and Landmark American Insurance company effective 7-1-05 to 7-1-06, with a combined total of \$100,000,000.00.

Perils Covered - All risk of direct physical loss or damage.

District deductible is \$2,500.00.

Extensions of Coverage/Sublimits of Liability

1. Extra expense	\$1,000,000.00
2. Real or personal property at any unscheduled location/ exhibition	\$200,000.00
3. Transit	\$100,000.00
4. Valuable papers	\$50,000.00
5. Accounts Receivable	\$50,000.00
6. Property of students/employees	\$50,000.00
7. Non-owned buildings	\$250,000.00
8. Pollution cleanup, per occurrence & annual aggregate limit	\$250,000.00
9. Cost of inventory and insured's adjustment expenses	\$30,000.00
10. Trees, plants or shrubs	\$5,000.00
11. Media	\$500,000.00

Property Not Covered - As Follows:

1. Currency, money, notes, securities, deeds and evidences of debt
2. Growing crops or standing timber, land, trees, shrubs and lawns, land values or water
3. Animals, aircraft or watercraft
4. Vehicles licensed and designed principally for highway use when in use and away from the insured's premises, unless endorsed hereon
5. Excavations, gradings and filling, underground flues, pipes or drains, reservoirs, dams and other like structures
6. Property sold by the Insured under conditional sale, trust agreement, installment, or other deferred payment plans after delivery to customers, unless endorsed hereon
7. Property while covered under import or export ocean marine policies
8. Shipments by mail, except registered, unless endorsed hereon

Real property (buildings) and business personal property (contents) for SISC II member districts are insured to a limit of \$100,000,000.00, per occurrence, subject to the district's **\$2,500.00 deductible** feature. SISC II has a \$250,000.00 self-insured retention (S.I.R.) over the district's deductible feature per

occurrence/loss. There is no property limit per building, per location or per district. Building and contents are insured for replacement cost; however, to recover replacement cost on a loss requires proof of actual replacement.

COMPREHENSIVE CRIME - is covered under National Union Fire Insurance Company policy No. 004923350 as follows:

Inside crime	\$250,000.00 limit	\$1,000.00 deductible
Outside crime	\$250,000.00 limit	\$1,000.00 deductible
Depositors forgery	\$250,000.00 limit	\$1,000.00 deductible
Employee dishonesty	\$250,000.00 limit	\$1,000.00 deductible
Credit card forgery	\$250,000.00 limit	\$1,000.00 deductible

Coverage is effective 7-1-05 to 7-1-06.

BOILER AND MACHINERY - Coverage is provided to member districts under policy of insurance No. FBP2253749 issued by Hartford Steam Boiler Company for the period of 7-1-05 to 7-1-06. Coverage is provided on a comprehensive basis with a limit of \$20,000,000.00 subject to the \$2,500.00 deductible feature and covers boilers and various equipment and machinery on a replacement cost basis.

STUDENT ACCIDENT COVERAGE - Coverage is provided by SISC under Memorandum of Coverage No. SLP 7105 06 for the period of 7-1-05 to 7-1-06 and provides benefits for student injury during:

- Regular classes
- Class trips
- Summer school and recreation
- School sponsored activities on or off the school premises
- School sponsored transportation

Student accident coverage is secondary to any other applicable health insurance available to the student.

Medical payment limit is \$2,500.00.

No deductible applicable.

Coverage is included for athletic injury, except tackle football.

The benefit period is 52 weeks and benefits are limited to usual and reasonable expenses unless specifically stated otherwise.

JBj:dw