



## APPROVAL OUTSIDE VENDOR (NON-CUSD) CONTRACT

*All contracts must be approved by the Board of Education*

Please return this signed cover sheet and the contract to the Business Office for review  
**at least fourteen (14) working days prior to the next Board meeting.**

Once received and approved by the Business Office, **the contract will be returned to the requesting department and you must agendize the item for approval by the Board of Education** at their next regularly scheduled meeting.

**Site/Department:** Business

**Date(s) of Contracted Service:** 7/1/20-6/30/21

**Contractor Name:** CHUBB via Keenan & Associates

**Cost (not to exceed):** \$1,566.00

**Description of Service:** Renewal of Fine Art insurance policy for 20/21

**Contract Terms:** Prepayment Penalty: ☐ Yes ☒ No Auto Renewal: ☐ Yes ☒ No

☐ Venue for Legal Disputes Reviewed by Cabinet Member ☐ Legal Counsel Reviewed

☐ Pupil Records Rider ☐ New Vendor (if checked, need W9) ☐ Other \_\_\_\_\_

☐ Fingerprinting/TB Questionnaire completed ☐ Insurance Received

☐ Ratified, reason \_\_\_\_\_

**Funding Source:** ☐ District ☐ ASB ☐ PTO/PTA ☐ Other \_\_\_\_\_

☐ Fund 40 ☐ Fund 14 ☒ Fund 01 **Budget Source** 01-0000-0-0000-7200-5450-00-029-7500-0022

***I have read and understand the terms of and approve the attached contract:***

Yvonne Perez  
Site/Department Administrator Signature

06/11/2020  
Date

☒ Reviewed by C.B.O. before being agendized. yp  
initials

Board Approval Date: \_\_\_\_\_

☐ Copy sent to the Site/Department \_\_\_\_\_  
Date

555 S. Flower Street, 3rd Floor, Los Angeles, California 90071

Telephone (213) 612-0880

Facsimile (213) 612-5731

June 3, 2020

Carmel Unified School District

In care of Keenan & Associates Ca

Licensed Producer:

c/o: Jeannine Clair

2355 Crenshaw Blvd #200

Torrance, CA 90501

Subject:

Name Insured: Carmel Unified School District

Policy Type: Inland Mar

Policy Number: 6627143

Writing Company: Federal Insurance Company

Dear Jeannine:

We are pleased to offer the enclosed quotation for Carmel Unified School District for the period of 07/01/2020 to 07/01/2021. For your convenience, we have formatted our quotation in a "presentation-ready" layout.

Chubb's Inland Marine approach is to work with Keenan & Associates Ca and the management of Carmel Unified School District to specifically tailor coverage for their inland marine insurance needs.

This quote letter outlines the extent of coverage we will provide on this risk. Coverage is subject to the terms and conditions of the policy as issued. Our quotation is valid for 30 days from the date of this letter. The commission rate for this policy is **15%**.

"Terrorism" refers to terrorism losses covered by the Terrorism Risk Insurance Act of the United States of America (15 USC 6701 note). Please refer to the Important Notice to Policyholders which outlines both the Federal Government's and the Insurance Company's obligation of payment under the Terrorism Risk Insurance Act.

This proposal does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from offering or providing insurance. To the extent any such prohibitions apply, this proposal is void ab initio.

This information is intended for producers that are properly licensed and authorized in at least one of the writing companies that comprise the Chubb Group of Insurance Companies (Chubb). If you are not a licensed and authorized Chubb producer, please direct this communication to the person in your office that holds such designations and contact Chubb to update the contact information for this policy.

If you have any questions, please do not hesitate to call.  
Sincerely,

**Brendan McGowan**  
VP, Underwriting Manager  
Inland & Ocean Marine

555 S. Flower Street, Los Angeles, CA, 90071  
O 213.612.5567 M 917.708.1541  
E [Brendan.McGowan@chubb.com](mailto:Brendan.McGowan@chubb.com)

Attachments

## FINE ARTS QUOTATION

**Named Insured:** Carmel Unified School District  
**Policy Period:** 07/01/2020 to 07/01/2021  
**Policy Number:** 6627143  
**Writing Company:** Federal Insurance Company

<b>Limits of Insurance:</b>	Premises #1 4380 Carmel Valley Road Carmel, CA 93922 \$101,200 Owned Fine Arts, any one occurrence, not to exceed individual values scheduled per item on file with company. As Per Schedule Any one item; \$25,000 Exhibition Fine Arts \$50,000 Fine Arts in Transit  \$ 25,000 Owned Fine Arts While Off Premises \$ 25,000 Exhibition Fine Arts While Off Premises Not Covered Flood and Surface Water annual aggregate; Not Covered Earthquake annual aggregate
<b>Deductible:</b>	\$2,500 per occurrence
<b>Coverage:</b>	Per Chubb's Fine Arts Contract
<b>Policy Rate:</b>	\$1.541 Per \$100 of Insurance Values (\$101,200) \$0.007 TRIA Rate
<b>Total Insured Values:</b>	\$101,200
<b>Policy Premium*:</b>	<b><u>\$1,566</u></b>

*\*Portion of Policy Premium attributable for terrorism and statutory standard fire where applicable is \$7.*

**Additional Provision(s) <sup>1</sup>:** *Exhibitions must be reported 10 days prior to commencement and include itemized schedules with replacement values.*

*A \$50.00 minimum premium will apply to endorsements covering exhibits where the exhibit limit exceeds the exhibition limit shown on the policy.*

**Add Exclusion of Loss Due to Virus, Bacteria or Microorganism That Induce Physical Distress, Illness or Disease**

<sup>1</sup> The Additional Provisions of this quote letter supersede the description on the attached page. The precise coverage afforded is subject to the terms and conditions of the policy as issued.

“Terrorism” refers to terrorism losses covered by the Terrorism Risk Insurance Act of the United States of America (15 USC 6701 note). Please refer to the Important Notice to Policyholders which outlines both the Federal Government’s and the Insurance Company’s obligation of payment under the Terrorism Risk Insurance Act.

#### FATCA COMPLIANCE

The U.S. Foreign Account Tax Compliance Act, commonly known as “FATCA”, became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates from insurance companies. For information on how to obtain the applicable withholding certificate from Chubb U.S. insurance companies, please go to the following web site:

<http://www2.chubb.com/us-en/u-s-foreign-account-tax-compliance-act-fatca.aspx>

***All references in the policy to “spouse” include a party to a civil union or domestic partnership recognized under the applicable law of the jurisdiction having authority.***

The following applies with respect to exposures in Michigan.

Please be advised that, as permitted by the state of Michigan and only applicable to insureds domiciled in Michigan,

**This policy is exempt from the filing requirements of Section 2236 of the insurance code of 1956, 1956 PA 218, MCL 500.2236.**

Please be advised that, as permitted by the state of Michigan and only applicable to policies with Michigan vehicle exposures, the premium quoted in this letter includes a surcharge that insureds are required to pay the Michigan Catastrophic Claims Association.

The following applies with respect to exposures in New York.

In accordance with New York State law, please forward a completed Anti-Arson application, if building coverage is provided for locations in the state of New York.

Please note the underwriting company in which this quote is being offered. All insurers of the Chubb Group of Insurance Companies share the same financial ratings.

The portion attributable to Taxes and Surcharges is an estimate. The Insured is responsible for the total amount, if bound, shown on the premium bill and/or premium summary, regardless of the amount shown above.

# CHUBB<sup>®</sup>

## FINE ARTS

### ***Coverage Summary***

**Covered Property:** As listed or described on the Schedule of Fine Arts in the policy, and Unscheduled Fine Arts.

**Perils:** Direct physical loss or damage from a peril not otherwise excluded.

**Valuation:** Scheduled Fine Arts on a stated value basis, meaning the cost of repairing plus any reduction in value, not to exceed the stated value.  
Unscheduled Fine Arts valued on a market value basis.

### ***Additional Coverage***

\$1,000,000	Newly Acquired Premises (180 days)
\$ 500,000	Newly Acquired Property (180 days)
\$ 150,000	Debris Removal
\$ 50,000	Pollutant Clean Up (annual aggregate)
\$ 50,000	Transit
\$ 25,000	Fire Department Service Charges
\$ 25,000	Fungus Clean Up Or Removal
\$ 25,000	Inventory or Appraisals
\$ 10,000	Electronic Data Recovery Costs
\$ 10,000	Fire Protection Equipment Refill

### ***Some Unique Features***

- ★ No coinsurance.
- ★ No exclusions for atmospheric condition and temperature changes, breakage, inherent vice or disappearance.
- ★ Recoveries from salvage or subrogation accrue to your benefit *first* to make up the deductible, coinsurance penalty or inadequate limit, *before* it accrues to our benefit.

### ***Extensions of Coverage***

**Removal --** We pay for any direct physical loss or damage to covered property while it is being moved to or while stored at another location for up to 180 days or the cost to remove covered property from a premises to preserve it from loss or damage caused by or resulting from a peril not otherwise excluded.

### ***Chubb Services & Qualities***

**Commitment:** We are a leading provider of insurance for fine arts collections, and our share of this market is growing. We work closely with the Art Loss Register, the Appraisers Association of America, the Art Dealers Association of America and the International Foundation for Art Research. We've also worked with the Getty Information Institute to develop "Object ID," a checklist of international standards for describing art, antiques and antiquities.

**Knowledge:** We know the world of appraisals, restoration, preservation, loss prevention & disaster preparedness, as well as packing, storage and transit issues.

**Claim Handling:** We treat policyholders fairly and respond quickly when a loss occurs - usually within 24 hours of notification. Chubb continues to receive high ratings for financial stability from A.M. Best, Standard & Poors and Moody's.

**Loss Control:** Our global network of loss control consultants can help you minimize the size of losses. We specialize in the areas of security and disaster planning for museums and cultural institutions, and provide insurance and risk management workshops for major institutions and professional associations. We can assist in areas of documentation, on-premises and off-premises collection evaluation and maintenance, potential hazard evaluations, periodical safety evaluations, accident investigations, as well as storage and transportation of traveling exhibits.

*The above are some features of our policy form 04-02-0583 and are descriptive only. Modifications to this description may be contained elsewhere in this quote letter. The precise coverage afforded is subject to the terms and conditions of the policy as issued.*



This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

**Mailing Date** June 3, 2020  
**Insured Name** Carmel Unified School District  
**Mailing Street Address** P.O. Box 222700  
**Mailing City, State, Zip** Carmel, California 93922

Policy Type	Policy Number	Effective Date	Underwriting Company
Inland Marine	6627143	07/01/2020	Federal Insurance Company

**CHUBB**

## **IMPORTANT NOTICE TO POLICYHOLDER TERRORISM RISK INSURANCE ACT**

You are hereby notified that pursuant to the Terrorism Risk Insurance Act (the "Act") we are making available to you insurance for losses arising out of certain acts of terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that the insurance provided by your policy for losses caused by acts of terrorism is partially reimbursed by the United States of America under the formula set forth in the Act. Under this formula, the United States of America pays 85% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the insurance. Beginning in 2016, the Federal Share will be reduced by 1% per year until it reaches 80%, where it will remain.

However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

The portion of your annual premium that is attributable to insurance for such acts of terrorism is: \$ 7.00

**If you elect not to purchase coverage for terrorism and your policy provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium shown here for Ensuing Fire is the amount attributable to the insurance provided pursuant to that statutory standard fire policy. This coverage cannot be rejected. That amount is \$ 1.00**

*Important Notice*

*Form 99-10-0728 (Rev.01-15)*

*Inland Marine - Important Notice to Policyholder*

*Page 1 of 3*

This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

**Mailing Date** June 3, 2020  
**Insured Name** Carmel Unified School District  
**Mailing Street Address** P.O. Box 222700  
**Mailing City, State, Zip** Carmel, California 93922

Policy Type	Policy Number	Effective Date	Underwriting Company
Inland Marine	6627143	07/01/2020	Federal Insurance Company

**Under the Act, you have thirty (30) days from the date of this notice to consider whether or not you wish to maintain insurance for terrorism losses covered by the Act.**

**If you elect not to maintain this insurance, please so indicate by placing an “X” in the space provided on the next page, sign and return this disclosure notice to your agent or broker as soon as possible. By electing not to maintain this insurance, you agree that we may attach a terrorism exclusion or sublimits to your policy. If you do not sign and return this disclosure notice, you will be deemed to have decided to maintain this insurance, subject to the next paragraph.**

**If you elect to maintain this insurance, you must pay the premium disclosed above, otherwise we will avail ourselves of our normal remedies for nonpayment of premium, including cancellation of your policy in accordance with its terms.**



This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

**Mailing Date** June 3, 2020

**Insured Name** Carmel Unified School District

**Mailing Street Address** P.O. Box 222700

**Mailing City, State, Zip** Carmel, California 93922

Policy Type	Policy Number	Effective Date	Underwriting Company
Inland Marine	6627143	07/01/2020	Federal Insurance Company

**Rejection of terrorism insurance:**

☐ I hereby reject terrorism insurance and elect to have a terrorism exclusion, sublimit or other limitation included in my policy. I understand that I will have no, or limited, coverage for losses arising from acts of terrorism.

**Policyholder/Applicant's Name:**

\_\_\_\_\_

**Policyholder/Applicant's Signature:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

**EXCLUSION OF LOSS DUE TO VIRUS, BACTERIA OR MICROORGANISM  
THAT INDUCE PHYSICAL DISTRESS, ILLNESS OR DISEASE**

Named Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period to	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

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

The following exclusion is added to this policy; supersedes any term, provision or endorsement to the contrary in this policy; and applies notwithstanding such term, provision or endorsement:

This Policy excludes any and all loss, damage, cost, or expense of any nature whatsoever directly or indirectly caused by or resulting from the following, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence thereto:

Any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease, or the fear or threat (whether actual or perceived) of any such virus, bacteria or microorganism, including any and all loss directly or indirectly caused by any action or inaction of the insured or any action or order of a government undertaken in response to, or intended to detect, control, prevent, suppress, mitigate or remediate, the actual, suspected, or anticipated presence of any virus, bacteria or other microorganism that induces or is capable of inducing physical distress, illness or disease.

This exclusion does not apply to loss or damage caused by or resulting from moss or fungus (including mold and mildew), or any mycotoxins, spores, scents, or other by-products of fungi, if such loss or damage, including any exclusion thereof, is addressed in a separate provision elsewhere in this Policy.

This exclusion supersedes any exclusion relating to pollutants or contaminants.

Other policy provisions excluding coverage of loss due to virus, bacteria, or microorganism of a type other than that which induce or are capable of inducing physical distress, illness or disease remain in full force and effect.

**All other terms and conditions remain unchanged.**

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Authorized Representative