



2019 Renewal Proposal

Property & Casualty Insurance

**2019-2020
Policy Period**



1125 17TH ST, SUITE 900, DENVER, CO 80202
TOLL FREE: 888-795-0300 | FAX: 866-243-0727

Your HUB Team

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Insurance Exposures

Named Insureds
Lincoln Academy
Lincoln Academy Property Corporation
Lincoln Academy Charter School Building
Lincoln Academy Foundation & LAPTO

Locations
7180 Oak Street, Arvada, CO 80004
7100 Newman Street, Arvada, CO 80004
10550 W. 72 nd Avenue, Arvada, CO 80004
7180 Oak Street, Building B, Arvada, CO 80004

Student Count		
	2018-2019	2019-2020
Student Count Pre K-8	736	774
Total # of Students	736	774

Employee Count		
	2018-2019	2019-2020
# Part time	47	55
# Full time	46	50
Total # of Employees	93	105

Statement of Values

Name	Address	City	State	Zip Code	Building	Contents	Business Income Extra Expense	Total Property Value
Buildings 1-3	7180 Oak St	Arvada	CO	80004	\$1,943,250	\$250,000	\$1,900,000	\$3,647,800
Buildings 4-7	7180 Oak St	Arvada	CO	80004	\$6,862,750	\$250,000	Included	\$5,961,000
Modular	7100 Newman St	Arvada	CO	80004	\$125,000	\$5,000	Included	\$130,000
Single Family Home	10550 W. 72 nd Ave	Arvada	CO	80004	\$238,000	\$5,000	Included	\$243,000
Single Family Home	7180 Oak St, Bldg. B	Arvada	CO	80004	\$231,000	\$5,000	Included	\$236,000
TOTALS					\$9,400,000	\$1,015,000	\$1,900,000	\$11,592,800

Liability Limits

Coverage	Per Occurrence/Claim Limit
General Liability	\$1,000,000
Abuse and Molestation	\$1,000,000
Employee Benefits Liability	\$1,000,000
Automobile Liability	\$1,000,000
Educators Legal Liability	\$1,000,000
Directors & Officers/Employment Practice Liability	\$1,000,000
Umbrella	\$1,000,000

Signature of Insured

Date

Deductible/Retention Information

Retentions/Deductible		
Coverages	2018-2019	2019-2020
Property		
All Other Perils	\$5,000	\$5,000
Wind/Hail	2% per occurrence	2% per occurrence
Wind/Hail – Homes & Modular	\$10,000	\$10,000
Business Income	72 Hours	72 Hours
Flood/Quake	\$25,000	\$25,000
General Liability		
Employee Benefit E&O	\$1,000	\$1,000
Professional Liability		
Educators Legal Liability	\$10,000	\$10,000
Employment Practices	\$10,000	\$10,000
Non-Monetary Relief	\$10,000	\$10,000
Automobile Liability		
Physical Damage - Owned	\$1,000/\$1,000	\$1,000/\$1,000
Hired Car Physical Damage	\$100/\$1,000	\$100/\$1,000
Umbrella		
Self-Insured Retention	\$0	\$0
Wind/Hail Deductible Buy Down – Buildings 1-7		
Deductible Buy Down – Per Occ.	\$10,000	\$10,000
Cyber Liability		
Each Incident/Event	\$2,500	\$2,500

Explanation of Coverage

Coverage Type	Description
General Liability	Also known as Premises Liability coverage, as it protects the school in the event a 3 rd Party suffers bodily injury or property damage on your campus. The limits quoted under the Liability coverage are industry standard limits, and are also the minimums your District/Authorizer requires you to carry.
Employee Benefits Liability	This is an Errors & Omissions coverage for the school in the event you fail to enroll an employee into the benefits plan.
Abuse/Molestation	A sublimit of the General Liability coverage. It covers the school, student teachers, parent volunteers, the board of trustee, interns, SpEd teachers, etc., for claims alleging both physical and mental abuse or molestation.
Business Automobile	Even if the school does not own any vehicles or buses, you still have an Auto Liability exposure that needs to be covered. There may be times when you have teachers or staff members that will need to drive their personal vehicles for business use for the school. The Hired and Non-Owned Automobile Liability would pay excess of the driver's personal insurance and protect/indemnify against a lawsuit brought by the 3 rd party.
Directors & Officers Liability, including Employment Practice Liability	The Directors & Officers Liability coverage is protection for your Board and its members, both past, present, and future, in the event of a suit for their duties to the school. The Employment Practice Liability coverage is probably the most important of the three coverage's to have in place. This protects the school against wrongful termination, discrimination, harassment, sexual orientation claims, etc. These coverages are considered a "defense" policy for the school and board against these types of claims.
Educators' Legal Liability aka Failure to Teach	The Educators Legal Liability is your "Failure to Teach" coverage. This protects the school, board of trustees, teachers, interns, contracted employees, and volunteers against IEP claims, SpEd services, and FERPA violations.
Umbrella	Sits over your primary liability coverage, including General Liability, Auto, Abuse/Molestation, Directors & Officers, and Educators' Legal Liability. It provides excess limits on a per occurrence or per claim basis, affording the school more protection in the event of a catastrophic loss.
Workers Compensation	This is a mandatory coverage set by the State of Colorado to protect your employees for any work related injuries.
Property & Crime	Property coverage covers your tangible items (books, tables, desks, chairs, supplies, fax machines, equipment, etc.). The Crime provides the school with coverage for Employee Theft, Forgery/Alteration of Checks, etc.
Cyber Liability	Cyber and privacy policies cover 1st and 3rd party liabilities when personal information, such as Social Security, names, addresses and other Personal Identifiable Information, is exposed or stolen.
Student Accident	The Student Accident Policy is a first party policy designed for the express purpose of indemnifying parents for medical expenses incurred due to injuries occurring at school or during school activities. It is Excess of the parents own personal health insurance, unless they have no insurance or are on a Federally funded program, such as CHIP or Medicaid; then the Student Accident coverage pays primary.

Cyber Liability Program

HUB International now offers a streamlined Cyber Liability Insurance application process and simplified underwriting for Charter Schools. Qualified applicants can simply complete the Program Application, request to bind coverage and pay the applicable premium.

Coverage Components:

- **Multimedia Liability** – Duty to defend coverage for third party claims alleging copyright/trademark infringement, libel, slander, plagiarism and personal injury resulting from dissemination of media material. Covers both electronic and non-electronic media material.
- **Security and Privacy Liability** – Duty to defend coverage for third party claims alleging liability resulting from a security and privacy wrongful act, including failure to safeguard electronic or non-electronic confidential information, or failure to prevent virus attacks, denial of service attacks or the transmission of malicious code from the Insured's computer system to the computer system of a third party.
- **Privacy Regulatory Defense and Penalties** - Duty to defend coverage for regulatory fines and penalties and/or regulatory compensatory awards incurred in privacy regulatory proceedings/investigations brought by federal, state, or local governmental agencies, such as proceedings/investigations alleging HIPAA violations.
- **Breach Event Costs** – Coverage for reasonable mitigation costs and expenses incurred as a result of a privacy breach, security breach or adverse media report, including legal expenses, public relations expenses, advertising and IT forensic expenses, postage, and the cost to provide call centers, credit monitoring and identity theft assistance. Also includes coverage for Proactive Privacy Breach Response Costs - public relations expenses incurred in response to a privacy breach, but prior to the publication of an adverse media report, in an effort to avert or mitigate the potential impact of such adverse media report on the Insured's reputation. Also includes coverage for Voluntary Notification Expenses - expenses incurred in notifying affected parties of a privacy breach where there is no requirement by law to do so.
- **BrandGuard®** - Coverage for lost revenue incurred as a direct result of an adverse media report or notification to affected individuals following a security breach or privacy breach.
- **Network Asset Protection** – Coverage for amounts incurred to recover and/or replace electronic data that is compromised, damaged, lost, erased or corrupted due to (1) accidental damage or destruction of electronic media or computer hardware, (2) administrative or operational mistakes in the handling of electronic data, or (3) computer crime/attacks including malicious code and denial of service attacks. Coverage also extends to business income loss and interruption expenses incurred as a result of a total or partial interruption of the Insured's computer system directly caused by any of the above events.
- **Cyber Extortion** – Coverage for extortion expenses incurred and extortion monies paid as a direct result of a credible cyber extortion threat.
- **Cyber Crime** – Coverage for loss of money or securities incurred due to financial fraud, including wire transfer fraud; charges incurred for unauthorized calls resulting from fraudulent use of the Insured's telephone system; expenses incurred to notify customers of phishing schemes that impersonate the Insured or the Insured's brands, products or services, and the costs of reimbursing customers for loss they sustain as a result of such phishing schemes.
- **PCI DSS Liability** – Duty to defend coverage for fines, penalties or assessments, including fraud recoveries, operational expenses or compliance case costs, imposed by banks or credit card companies due to non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) or payment card company rules.

PROGRAM HIGHLIGHTS

- Broad coverage for data that is stored with a third party including, but not limited to, IT outsourcers and Independent Contractors
- Blanket Dependent Business Interruption – does not include payment processors, internet service providers, security service providers, DNS hosting services or domain name registrars due to aggregation exposure
- Separate Breach Event Costs limit

- Worldwide coverage - claims can be brought outside of the U.S.
- Network Asset Protection coverage triggers include accidental damage or destruction, administrative and operational mistakes as well as computer crimes and attacks
- Property Damage exclusion does not apply to electronic data
- Includes coverage for breach of corporate information
- Acts committed by rogue employees are covered, as well as privacy claims brought by employees
- Multimedia Liability and Security & Privacy Liability includes coverage for liability assumed under contract
- Extended Reporting Period available for 1-3 years

PROGRAM QUALIFICATIONS

- Must be a charter, grades K-12, with annual student enrollment of 1,000 or less.
- Must not have experienced any claims/incidents in the past 5 years.
- Must have a firewall and anti-virus system in place.

Coverage cannot be bound under the terms and conditions of this program for Applicants that do not fall within the program qualifications; however, Applicants will be considered for coverage outside of the program.

RATES FOR \$1M LIMIT

No. of Students	Annual Premium
1-100	\$1,000
101-200	\$1,150
201-300	\$1,300
301-400	\$1,500
401-500	\$1,750
501-600	\$2,000
601-700	\$2,400
701-800	\$2,900
801-900	\$3,450
901-1,000	\$4,000
1,000+	Refer to underwriting

HUBHR

HUBHR: Employment Law & Human Resources Services

HUB International helps you navigate the complex maze of employment law. Three levels of human resources law and consulting services are available to support your organization and reduce risk. Stay up-to-date. Be Prepared. Discover the full array of services available from HUBHR.

SERVICES	BENEFITS
Unlimited telephone and email consultations with our employment attorneys	» Confidential communications » Unlimited legal opinions » Unlimited employment law document review, edit, and preparation, including but not limited to: • Independent contractor agreements • Severance agreements • Employment contracts • Legal letters and more
Unlimited expert human resources telephone and email consultations with a single dedicated HR professional	» Unlimited HR document review, edit, and preparation, including but not limited to: • Custom policies • Job descriptions • Performance reviews • Leave documentation and more » Answers and advice on all HR matters » Help with investigations
Employee handbook	Need your handbook updated, or maybe you don't have a handbook, HUB HR can help. Complete our Handbook Questionnaire and send it back to your Dedicated HR Consultant along with your existing handbook (if applicable) in Word format and we will update or create a custom handbook for you.
24/7 access to our Online Forms Library at www.holmanhr.com	Please complete the following steps to be granted access to our forms library: » Click the Login/Sign up button in the upper right hand corner of the homepage. » Use the pop up window to register your email address and desired password. » Once you have signed up, please allow up to 1 business day for your entry to be approved. » Following your approval, anytime you return to our website, please click the Login/Sign Up button then click the "Login" link at the top of the pop up window. » Enter your approved username and password to be logged in.
NEW! Webinars at www.hhrwebinars.com	You can now watch video webinars with accompanying PowerPoint on a variety of HR subjects. There is no additional cost or limit to the number of times you and your entire staff can watch our webinars; outstanding for training purposes. For access, use the username and password provided below: Username: Password:
In depth HR Audit	You will receive this form with the introductory email from your Dedicated HR Consultant. Simply complete the audit and send it back to your Consultant.
Email HR Alerts	HUB HR will keep you apprised of changes in employment law and HR practices to make sure you stay ahead of the curve and in compliance.

HUBHR services are provided by Guardian HR, a leading provider of employment law and human resources support service for businesses of all sizes.

Additional HUBHR Value Add Services

Onsite HR Services

- Cost for onsite HR services and HR placement is available at Guardian HR's low guaranteed pricing of \$85/hr.

Onsite Legal Services

- Regular hourly fee for Guardian HR employment attorneys is \$400, the HUB client rate \$300.

Sexual Harassment Prevention Training:

- 2-hour onsite sexual harassment training for management is regularly \$995 for HUB clients; the HUBHR client price is \$895.
- Webinar library now includes 2-hour online harassment training for supervisors and managers.
- Staff training is regularly \$795 for HUB clients; the HUBHR client price is \$695.
- On-site training in Spanish is available for an additional \$100 per training per session.

Premium/Total Cost of Risk

Charter School Entity:	2018-2019	2019-2020
Student Count:	736	774

Premium		
	Expiring	Renewal
Property	\$ 13,324	\$ 14,400
Inland Marine	\$ 511	\$ 511
Crime	Included in Property	Included in Property
General Liability	\$ 6,050	\$ 6,477
Professional Liability	\$ 1,452	\$ 1,555
D&O/Employment Practices	\$ 3,802	\$ 4,068
Automobile	\$ 1,968	\$ 2,200
Umbrella	\$ 2,053	\$ 2,800
Wind/Hail Deductible Buy Down	\$ 11,098	\$ 14,480
Student Accident	\$ 2,500	\$ 2,500
Cyber/Privacy Liability	\$ 2,987	\$ 2,987
Hub HR	\$ 1,200	\$ 1,200
TOTAL	\$ 46,945	\$ 52,977

Total Cost of Risk		
	2018-2019	2019-2020
Per Pupil	63.78	68.45

Client Authorization to Bind Coverage

Effective July 1, 2019, we have decided to accept your proposal and authorize HUB International Insurance Services to bind coverage as follows and understand that our instructions constitute acceptance of the policy terms, conditions, exclusions and proposal disclosures. It is understood that this document contains only a summary of our insurance coverages. It is our (client) responsibility to carefully and completely review the actual policies for actual terms, limits and conditions. In the event of any inconsistency between the terms of the policies and the provisions of this document, the terms of the policies will govern and control. Furthermore, we confirm the values, schedules, and other data contained in the proposal are from our (client) records and acknowledge that it is our (client) responsibility to see that they are accurately maintained.

Coverage	Carrier	Accept / Reject (Check Box)		Premium Charge including Taxes & Fees
Property		Yes ☐	No ☐	\$14,400
Inland Marine		Yes ☐	No ☐	\$511
Crime		Yes ☐	No ☐	Included
Liability		Yes ☐	No ☐	\$6,477
Automobile Liability		Yes ☐	No ☐	\$2,200
Professional Liability		Yes ☐	No ☐	\$1,555
D&O/Employment Practice		Yes ☐	No ☐	\$4,068
\$1M Umbrella		Yes ☐	No ☐	\$2,800
Wind/Hail Deductible Buy Down		Yes ☐	No ☐	\$14,480
Student Accident		Yes ☐	No ☐	\$2,500
Cyber Liability		Yes ☐	No ☐	\$2,987
HUB HR		Yes ☐	No ☐	\$1,200

Signature of Insured _____

Date _____

Payment Terms

Insurer	Line of Business	Down payment & Frequency	Method
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	Package, Auto, Umbrella	20% down with 9 equal monthly installments	Direct Bill
	Wind/Hail Deductible Buy Down	Premium due in full within 20 days of binding	Agency Bill
	Cyber Liability	Premium due in full within 10 days of binding	Agency Bill
	Student Accident	Premium due in full within 10 days of binding	Agency Bill
	HUB HR	Fee due in full within 10 days of enrollment	Agency Bill

Agency Bill – Invoices are generated by HUB and payments are made to HUB

Direct Bill – Invoices are generated by the insurer and payments are made to the insurer

Mail	Overnight	Wire
HUB International Insurance Services Inc. PO Box 844544 Dallas, TX 75284-45	HUB International Insurance Services Inc. Bank of America Lockbox Services Lockbox #844544 1950 N. Stemmons Freeway Suite 5010 Dallas, TX 75207	HUB International Southwest c/o Bank of America Chicago, IL 60604 ABA (for ACHs): 071000039 ABA (for Wires): 071923284 Account # 8765216785

Consent to Receive Electronic Documents

Lincoln Academy ("Client") hereby consents and agrees to receive electronic documents related to insurance coverage procured or quoted by, or Client's business relationship with, HUB International ("HUB"). In addition to traditional manners of delivery, HUB may transmit documents to Client through electronic means, such as electronic mail and facsimile. The documents that may be transmitted electronically include, but are not limited to, the following: insurance policies; policy information pages; coverage forms; endorsements; applications; binders; certificates and evidence of insurance; invoices; premium finance agreements; audit statements; loss control reports; claim reports; correspondences; notices of cancellation and non-renewal; and policies related to the operation of HUB'S business.

Print Name _____

Signature _____

Title _____

Date _____

How We Get Paid

How We Get Paid
HUB International takes pride in the services our brokerages provide to you, our client, for insurance and risk management programs. For our efforts we are compensated in a variety of ways, primarily in the

How We Get Paid

form of commissions and contingency amounts paid by insurance companies and, in some cases, fees paid by clients or third parties. The means by which we are compensated are described below.

Commission Income

Commission, normally calculated as a percentage of the premium paid to the insurer for the specific policy, is paid to us by the insurer to distribute and service your insurance policy. Our commission is included in the premium paid by you. The individuals at HUB International who place and service your insurance may be paid compensation that varies directly with the commissions we receive.

Contingency Income

We also receive income through contingency arrangements with most insurers. They are called "contingent" because to qualify for payment we normally need to meet certain criteria, usually measured on an annual basis. Contingency arrangements vary, but payment under these agreements is normally the result of growing the business by attracting new customers, helping the insurance company gather and assess underwriting information and/or working to renew the policies of existing insureds. There is currently no meaningful method to determine the exact impact that any particular insurance policy has on contingency arrangements. However, brokers tend to receive higher contingency payments when they grow their business and retain clients through better service. In other words, the amount of earned contingency income depends on the overall size and/or profitability of all of a group of accounts, as opposed to the placement or profitability of any particular insurance policy. For this reason, the individuals involved in placing or servicing insurance are rarely, if ever, compensated directly for the contingent income that we receive.

Supplemental Commissions

Some insurance companies have recently replaced contingent commissions with supplemental commissions. These commissions, in fixed amounts, are established annually in advance based on historical performance measured by criteria comparable to those by which contingent commissions are calculated. We refer to these commissions as guaranteed supplemental commissions, or "GSCs".

Fees Paid by Clients

On occasion, with more complex business insurance programs and where additional resources, products or services are appropriate, a fee may be negotiated for placement of insurance coverage or additional services. Fees charged for the placement of insurance will be outlined in a proposal and approved, usually in writing, prior to the insurer binding coverage. On occasion, we may receive both commissions *and* client-paid fees for placing insurance, which generally will be disclosed in writing to you in advance. In certain circumstances clients pay us mutually agreed-upon fees for additional services, such as third party administration of employee benefits or workers' compensation programs.

Wholesale Operations

We own wholesale insurance brokerages in both the U.S and Canada. These are intermediaries through which other brokers, typically retail brokers that have a relationship and deal directly with their clients, place coverage. Our own retail brokers may place client policies through HUB-owned wholesale brokers. In such cases, both the HUB retail broker and the HUB wholesale broker will earn commissions, and they are included in the client's premium payment. Ordinarily wholesale brokers, whether owned by HUB International or not, are included in the transaction because they offer products that are particularly suitable to a client's needs that are not available through normal insurance brokerage retail channels.

Other Compensation and Benefits

We may receive revenue or further benefits from our insurance brokerage activities in other ways, including, but not limited to, from insurance company promotional events, payments from insurers for promotional marketing and/or employee training and development, fees or a percentage of the interest paid to us for the administration of premium finance contracts, interest paid to us by financial institutions earned on fiduciary or trust accounts in which we hold your premium payments pending remittance to the insurance company, and fees paid to us for policy and/or claims administration and/or loss control services that we provide.

Related Party Transactions

In limited circumstances, our subsidiaries or employees may have interests in insurers and reinsurers with whom policies are placed. We own a reinsurance broker that arranges reinsurance for carriers. It is



possible that coverage placed by our retail brokers could be reinsured pursuant to placements made by our reinsurance subsidiary. Ownership of a reinsurance broker also creates an additional, mutually beneficial dimension to our relationships with insurance companies.

Customer Centric Carriers

We have access to the products and services of hundreds of insurers. However, we believe our ability to provide the best combination of products, service, value and ongoing access to capacity is enhanced by focusing on a manageable number of carrier relationships. These strategic relationships include many of the most respected national and regional insurance companies in the insurance industry (the "Strategic Carriers"). Although we will continue to access our other insurance company relationships where appropriate, we expect that many of our clients' insurance needs may be met through the Strategic Carriers. The Strategic Carriers may pay us enhanced compensation, which we intend to use in part to invest in initiatives to improve our ability to serve our customers and to optimize their insurance buying experience. A portion of any enhanced compensation from our Strategic Carriers may be used to incentivize our employees to prioritize, investigate and access the products and services of our Strategic Carriers for the purpose of consolidating the number of insurance markets we deal with, while at the same time addressing the needs and best interests of our clients. More information regarding our Strategic Carrier relationships is available upon request from your HUB International insurance advisor or by visiting our website at www.hubinternational.com.

Our goal is to be your insurance brokerage of choice. We know you have many brokerages to choose from, so to earn your confidence, we hold ourselves to the highest standard of service, a standard reflected in our written Client Commitment - we call it the "*The HUB Advantage*." We hope you will review the principles embodied in *The HUB Advantage*, a copy of which is attached for your convenience. You should also feel free to visit our website at www.hubinternational.com for more information regarding HUB International and how we do business.

Please also feel free to ask any questions about our compensation generally, or as to your specific insurance proposal or placement, by contacting your HUB broker or customer service representative directly, or by calling our client hotline at **1-866-857-4073**.

We want you to choose a HUB International broker to be your insurance advisor, and we intend to make your decision an educated one.