

These are for 'INFORMAITON' only.

Any questions please have member schools call to verify.

It will be best to review the policies thoroughly and we are always open for discussion

Q1. Does every Chinese School need liability insurance?

A1. **Yes.**

Q2. When the Chinese School renews the lease agreement with the school district, is liability insurance a must for Chinese School?

A2. **Yes.**

Q3. What is “suitable” coverage for the liability insurance?

A3. **Any businesses open to public will have the exposure to be sued for different reasons. Based on your business operation and needs, find a policy designed for operation like yours or with classification fits your operation the best; with broadest coverage and most reasonable premium should be the key. Premiums should not be the most important factor of selecting policy coverage.**

1. In most cases, landlords’ requests are similar. Both Hartford and Travelers policies can and will satisfy landlords' request. It is included in the policies already.

2. Each landlord's request for coverage limits may be different. All schools should read their lease agreements in detail. \$1,000,000 coverage limit may not be the minimum amount.

Q4. What is the main purpose of the liability insurance?

A4. **The purpose of liability insurance is to protect the insured from damage or injury to personal property or people, resulting from the insured’s negligence or an accident that occurs as a result of the insured’s operations.**

Q5. Can liability insurance cover all the claims from the 3rd party?

A5. **No. There are different types of liability coverage. For specifics, please refer to policy “Exclusion” pages. It stated very clearly what are excluded.**

Q6. Can the liability insurance cover the medical insurance payment?

A6. **It depends on each policy terms and conditions. Most policies will offer medical payments to claimant, but if policy is issued for “school operation”, some of the policies will not pay medical payments to “**students**”.**

Q7. Is a non-profit Chinese School liability insurance premium cheaper than a for-profit Chinese School?

A7. **Not necessarily. It depends on each company’s rating structure. But for 2007 policy period, the rates for Non Profit Organizations are quite reasonable. The company charges 1/5 of regular rates due to classes being scheduled only one day per week.**

Please be advised:

- A. Non-profit schools may have more outdoor activities or special events. Premium rates may be higher than some of the profit schools with only indoor activities.
- B. There is no MASTER policy in place since 2006. All policies are issued for each individual school. Premiums will be calculated independently per school's performance, operation, location, coverage; and many other important criteria.

Q8. How much is the annual cost per student?

A8. In general, for the 2007 policy year, the rates for non-profit organizations are from \$2/student and up. It varies, please see Q7.

Q9. Besides liability insurance, what other insurance is necessary for a Chinese School?

A9. To name a few important coverage other than General Liability coverage: Directors & Officers Liability insurance coverage including Employment Practice Liability, Workers' Compensation Insurance Policy, Student Accident Insurance Policy, Abuse & Molestation insurance and Professional Liability Insurance for educators, etc.

Q10. Besides, the liability insurance and the Worker Compensation Insurance, what is the other necessary insurance?

A10. See above.

Q11. If the school property (i.e. computer equipment in classroom) was damaged by our student and school authority is asking Chinese School to pay for it. Is this item covered under the liability insurance?

A11. Yes. Your Liability insurance does cover properties under your care custody.

Q12. Does the liability insurance cover the following school activities?

1) On campus activities after school hours i.e. Carnival in afternoon while school hour ends at 12:30pm

A) It should be for Travelers policy (please list/schedule all activities when we are preparing for the renewal, around May of 2008). The Hartford policies are issued for "Learning Centers" with limited outdoor activities and carnivals may not be covered.

2) Off campus activities after school hours i.e. Academic contest or other activities held not on our regular school site?

A) The Travelers policy will cover these events. Most of the policies will extend liability coverage to locations other than listed location, but please make sure to inform agent before events; to make sure proper coverage are in place.

Q13. Does the liability insurance including accidents happen in Chinese School's office that is not located at school site?

A13. The office should be scheduled onto the policy. If not, please inform your agent.

Q14. Do we need other insurance (i.e. property insurance) if we have an office or storage space located other than school site?

A14. **If you do have business personal property, both Hartford and Travelers policies can offer property coverage. Call agent.**

Q15. Does the liability insurance cover Summer Camps and other extra activities?

A15. **Travelers policy can and will cover Summer school. Overnight activities, including camping trips, will need to be reported and premiums may be charged. Hartford policy will not cover overnight camping trips. Please confirm with Hartford for any activities other than indoor classes.**