

## **I. INLAND MARINE COVERAGE (Optional)**

The Inland Marine insurance provides coverage similar to the Major Property Policy (See Section II), but offers a lower deductible of \$50.00 per occurrence. Obtaining this coverage requires that your department send a schedule to Risk Management listing each item to be insured, its replacement value, serial number and/or State tag number, and account number to be billed to at the end of each policy period. Unlike Major Property coverage, Inland Marine insurance is billed directly to the department.

Regarding personal property of employees: Only those items required or requested by the employee's supervisor in order to perform the employee's duties will be considered for Inland Marine Coverage.

### **Limit:**

\$2,000 per occurrence. Any loss above this amount is covered by the Major Property policy.

### **Agency Deductible:**

\$50.00 per occurrence

### **What is Covered:**

The coverage is the same as the Major Property policy, with the addition of the exclusions listed below. Most departments use this coverage to insure property subject to theft or breakage, property which is frequently transported, or small pilferable items.

### **Exclusions:**

Following are items not eligible for Inland Marine coverage:

- 1) Real property or buildings
- 2) Automobile or vehicles licensed for the road.
- 3) Mobile equipment of any nature (mobile equipment is any motorized equipment not licensed for highway use)
- 4) Consumable properties
- 5) Property held in inventory (Items discovered missing after inventory check)
- 6) Coverage limitations on the Major Property policy (see below) also apply.

### **Premium Determination:**

The premium is based on the scheduled submitted by each agency. The current rate is \$ .35 per \$100 of value with a three-month minimum insurance period and a \$25 minimum premium per department. The maximum value that may be to declared for any single item is \$2000. Therefore, for items valued \$2,000 and over, enter \$2,000 for the replacement cost value.

July 2009

### **Procedural Information:**

A department can request Inland Marine coverage on any item(s) at any time during the course of a policy period. The department must submit a schedule listing each item to be insured, its replacement value up to a maximum of \$2,000, serial number and/or State tag number, and department account number. If a department wishes to add items or increase or decrease the value of any item(s) on their schedule, they should send an amendment to Risk Management. Departments are billed at the end of the current policy period for any additions or deletions made during the year.

## **II. MAJOR PROPERTY**

The Major Property Policy insures all real and/or chattel property (an article of personal property, as distinguished from real property, a thing personal and movable). It may refer to animate as well as inanimate property) including improvements and betterments for which the State has an insurable interest, or for which the State assumes responsibility from "all risks" of loss.

### **Agency (Department) Deductible:**

- 1) \$2,000 per occurrence, all risks except Earthquake and Flood
- 2) \$5,000 Earthquake and Flood

### **What is covered:**

All property (including motorized equipment not licensed for the road) is covered on a replacement cost basis, unless the agency has specifically declared the property at an actual cash value. The coverage insures against "all risks" of direct physical loss, subject to the exclusions listed below. Catastrophic earthquake and flood losses are also covered.

### **Common Exclusions:**

The property policy insures against all risk of direct physical loss or damage, with the following perils excluded: inventory shortage or unexplained disappearance, theft by an employee, ordinary wear and tear, inherent vice, moths, termites, vermin, normal settling, shrinkage or expansion in building or foundation, latent defects, mechanical breakdown, nuclear reaction, war, damage to vacant buildings and loss of markets.

Property for which you are obligated by contract or lease agreement and determined to be the responsibility of your department to provide insurance, should be listed with the replacement value on the statement you submit.

Any questions or requests for coverage should be directed to Risk Management, (208) 282-3234  
July 2009

or fax (208) 282-4821.

July 2009