





Residential Child Care Product

Why Do You Need To Purchase A Child Care Product?

- ▶ A child suffers bodily injury while on your playground equipment
- ▶ The parent of a child enrolled in your program makes a false charge of abuse or molestation against you
- ▶ One of your employees / volunteers trips and spills hot soup onto a child
- ▶ Emotional distress to the parent of a child enrolled in your program caused when you did not obtain a permission slip to take them on a field trip

Why Should You Choose Our Fitness Center Product?

The following are important features; make sure you have them all:

COVERAGE FEATURES	USLI	COMPETITORS
Professional liability coverage provided for no additional charge		
Includes molestation and abuse coverage at \$100,000 per occurrence / \$300,000 aggregate limit for no additional charge		
Defense cost coverage provided outside the limit of liability		
Personal trainers covered for no additional charge		
Child sitting services covered for no additional charge		
Limited tanning bed liability coverage available		
Non-owned and hired auto liability coverage available		
Automatically included club members as additional insureds		
Landlords can be included as additional insureds for no additional premium		
No liability deductible		
Expanded definition of bodily injury to include sickness or disease caused by mental anguish or emotional distress		
Policyholders have access to many services through our Business Resource Center that will assist in growing and protecting their businesses		

Why Choose To Be Insured With USLI?

- ▶ One of only 20 A++ rated insurance groups in the United States by A.M. Best
- ▶ A proud member of the Berkshire Hathaway Group, recently voted the #1 most admired Property & Casualty Company in the world (Fortune Magazine)



Deluxe Child Care Packages

For eligible risks, we offer all these coverages with discounted rates up to 40 percent!

Commercial Coverage Features:

- ▶ General liability including professional liability up to a \$1,000,000/\$2,000,000 limit
- ▶ Medical payments including children enrolled in the center at a \$5,000 limit
- ▶ Child molestation and abuse (coverage applies off premises) at a \$25,000/\$50,000 limit
- ▶ Defense cost reimbursement* at a \$50,000/\$100,000 limit for the falsely accused insured, including employees
- ▶ Incidental hired and non-owned auto coverage** at the general liability limit
- ▶ No liability deductible
- ▶ Employee benefits at a \$25,000/\$50,000 limit
- ▶ Business personal property*** coverage including theft for \$25,000 with special perils and replacement cost
- ▶ Business income with extra expense*** for \$20,000 at a one fourth monthly limit

Additional Charges for Optional Coverages Include:

- ▶ Increased child molestation and abuse limits
- ▶ Terrorism
- ▶ Wading pools
- ▶ Additional insureds
- ▶ Employee benefits
- ▶ Property enhancement coverages including:
 - Water backup at sewer, drain or pump at a \$5,000 limit
 - Employee dishonesty at a \$5,000 limit
 - Outdoor property at a \$10,000 limit

Additional Advantages:

- ▶ A.M. Best rated A++ carrier
- ▶ Quick quote and binder turnaround
- ▶ Superior policy issuance

- ▶ Minimum premiums as low as \$500
- ▶ Policyholders have access to many services through our Business Resource Center that will assist in growing and protecting their businesses

Eligible Risks:

- ▶ Can be residential or commercial
- ▶ Are licensed for 20 or less children
- ▶ Are loss free for the past five years
- ▶ Do not transport children
- ▶ Do not have special needs children currently enrolled

If a child care center does not meet the eligibility requirements for our deluxe package, they may still qualify for our standard coverage and pricing.





Child Care and Nursery School Product

Claim Examples

- ▶ **General Liability:** Tyler, a student, fell off the swing at the childcare playground. His front two teeth were knocked out. He incurred \$2,000 in dental work. Tyler's mother filed a claim for the dental expenses and an additional \$5,000 alleging emotional distress.
- ▶ **Professional Liability:** Sally's mother claims that Child Care center failed to render professional service in the administration of their education program. Sally had failed to identify enough colors and shapes to pass an entrance exam to a private school. Sally's parents are suing for the cost to hire a special tutor and a refund of their tuition paid to Small World Child Care.
- ▶ **Child Abuse or Molestation:** A disgruntled parent claims her child had bruises on his arm. When asked, her child stated his teacher hurt him. Charges filed include improper hiring, improper training of employees, and failure to protect the child from harm. Attorneys are hired to defend the school against these charges. The case is dismissed after an investigation fails to prove any abuse occurred. The center's defense costs amount to \$25,000.
- ▶ **Hired and Non-owned Auto Coverage:** The owner Beth asked Molly an employee of the Care Center, to run to the store for craft supplies for the holiday project. While en route to the store Molly rear-ends another car at a stop sign causing \$4000 worth of property damage and \$9,000 in bodily injury to the other driver and automobile.
- ▶ **Certain civil/ Criminal Defense Cost Reimbursement*:** Doug, a student, stated to his mother that an employee of ABC Child Care, touched him inappropriately. Doug's mother then filed a report with the local police who then filed criminal charges against the employee. The employee claimed her innocence and while defending her good name and reputation incurred \$30,000 in criminal defense costs. The charges were later dropped, when Doug admitted that he had fabricated the story to get back at Lauren for not allowing him to go outside when it was raining. She was reimbursed for all of her defense costs.
- ▶ **Medical Payments:** Michael and John, both students at a local childcare center, were playing with matchbox cars when they both decided that they wanted to play with the red sports car. Michael, determined to play with his favorite car, pushed John causing scrapes and abrasions on his arm. After receiving a phone call from the center, John's mother picked John up and took him to the hospital. The injuries resulted in a \$2,000 bill for services provided by the hospital.

* Not available in New York

The Business Resource Center is available to all insureds with discounts on background check services, tenant screenings, motor vehicle records and other great services!



CARRIER:

Empty box for carrier information

Child Care Product Application – All States

YOU CAN OBTAIN A QUOTE BY PROVIDING THE INFORMATION IN SECTION I - INSTANT QUOTE BELOW, SUBJECT TO THE REMAINDER PROVIDED PRIOR TO BINDING.

I. INSTANT QUOTE INFORMATION

Instant Quote is only available for accounts with no losses in the past three years. If there is loss history, please complete the entire application.

Applicant's name: _____ DBA: _____

Location address: _____ Same as mailing address

City: _____ State: _____ Zip: _____

Description of operations:

Empty box for description of operations

Classification: Commercial center Residential/Family 100% Drop-in center Mommy/Daddy & Me center

Enter the number of children on the premises in each age group:

Age Group	# of Children	Average Daily Attendance	# of Teachers
0-1	_____	_____	_____
1-2	_____	_____	_____
2-3	_____	_____	_____
3-5	_____	_____	_____
School Age Children	_____	_____	_____

Property Section

Construction: Frame Joisted masonry Noncombustible Masonry noncombustible
 Modified fire resistive Fire resistive Other _____

Protection class: _____

Requested cause of loss : Special Basic

Requested valuation : Replacement cost Actual cash value

Deductible: \$1,000 \$2,500 \$5,000

Year built? _____

What is the square footage of the entire structure? _____ sq. ft.

Age of roof: _____ yrs.

Roof type: Flat Wood shake Shingle Metal Tile Slate Other _____

Plumbing type: PVC Copper Lead Galvanized Other _____

Protective devices: (Select those that apply)

Fire Extinguishers Smoke Detectors Central Fire Central Burglar Deadbolt locks

Building Owner:

Is the building your residence? Yes No (if "Yes," building coverage is not available)

Building limit \$ _____ Square footage of structure? _____ sq. ft.

Fence limit \$ _____ Outdoor sign limit \$ _____ Playground equipment limit \$ _____ Valuable papers limit \$ _____

Business income and extra expense limit \$ _____

Business personal property limit \$ _____ Coinsurance: 80% 90% 100%

Property deductible: \$1,000 \$2,500 \$5,000 \$10,000

Liability Section

General liability limit: \$100,000/\$100,000 \$300,000/\$300,000
 \$500,000/\$500,000 \$1,000,000/\$1,000,000
 \$1,000,000/\$2,000,000 \$1,000,000/\$3,000,000

Child abuse and molestation limit: \$25,000/\$50,000 \$100,000/\$300,000 \$300,000/\$600,000
 \$500,000/\$1,000,000 \$1,000,000/\$1,000,000

Do you wish to purchase reimbursement coverage for certain/criminal defense cost (for owners/operators)? Yes No

Exposure basis: Average daily attendance _____ Licensed capacity _____

What year did the business start? _____

Do you have any other operations? Yes No If "Yes," describe: _____

Has the insured been in business under current management for at least 3 years? Yes No

Eligibility Section

How many years in business? For centers less than 3 years, please provide experience.

No actual incidents in the past and no alleged incidents that are under investigation regarding child molestation or abuse

Yes No

Your license, registration or certification has never been revoked or suspended

Yes No

Outside play area is 100% fenced

Yes No

No swimming pool(s) or wading pool(s) deeper than 24 inches on premises

Yes No

Coinsurance: 50% 60% 70% 80% 90% 100% or Monthly Limitation Option 1/3 1/4 1/6

Additional rating/Exposure questions

Is there an accident and health policy for the children in force? No Yes

If "Yes," please advise limits: \$2,000 \$3,000 \$5,000 \$10,000 Other

Do you have any animals on premises? No Yes – if "Yes," please select specific type

Dog or cat

Frogs, guinea pigs, gerbils, domestic rats, parakeets or canaries

Other, please describe _____

Does the applicant ever transport or arrange transportation for children in care? No Yes

No Yes

Do you take any field trips to swimming pools? No Yes

No Yes

If "Yes,": Public pools only Residential pools only Both residential and commercial pools

No Yes

Is this center accredited by any of the following

If "Yes," please select the specific agency:

NAA- National After School Association

NAEYC- National Association for Education of Young Children

NAFCC- National Association for Family Child Care

NECPA- National Early Childhood Program Association

Is the center open more than 14 hours per day?

No Yes

If "Yes," select:

15 to 18 hours per day

Is risk open past 11:00 p.m.?

No Yes

Is there a wading pool 24 inches or less on the premises?

No Yes – If "Yes," # of wading pools: _____

Does the applicant have permanently installed outside play equipment?

No Yes

Are you exempt from licensing? No Yes

Additional Insureds/Mortgagees/Loss Payees

Name	Relationship/Interest	Address	City, State, Zip

II. LOSS INFORMATION FOR THE PAST THREE YEARS

Property Coverages

None, or provide detail below.

Year	Status	Incurred	Description
_____	Open/Closed	\$ _____	_____
_____	Open/Closed	\$ _____	_____
_____	Open/Closed	\$ _____	_____

Liability Coverages

None, or provide detail below.

Year	Status	Incurred	Description
_____	Open/Closed	\$ _____	_____
_____	Open/Closed	\$ _____	_____
_____	Open/Closed	\$ _____	_____

III. ELIGIBILITY CRITERIA

Coverage has not been cancelled or non-renewed in the last three years (not applicable in Missouri) True False

If "False," advise reason: _____

There is no sharing of employees with other entities True False

If "False," provide details: _____

1. No past, pending or planned bankruptcy or judgment for unpaid taxes against, the named insured or any officer, partner, member of owner of the applicant individually in the past five years True False
2. For any building built prior to 1978, there is no aluminum wiring or knob and tube wiring on premises N/A True False
3. For any building built prior to 1978, 100% of the electric wiring is on functioning and operating circuit breakers N/A True False
4. Functioning and operational smoke and/or heat detectors in all units and/or occupancies True False
5. Functioning and operational fire extinguishers readily available True False
6. Pre-employment screening which includes verification that employees and any volunteer workers providing care on a regular basis have never been convicted of any crime, including sex-related or child abuse related offenses; and you continue to conduct periodic screening after employment or volunteering begins True False
7. The applicant has not, is not and will not act as franchisor (grantor of a franchise) True False
8. Number of children on the premises does not exceed the licensed capacity True False
9. Permission slips are obtained from parents/guardians for all field trips True False
10. No adult day care operations and no exposure to child and adult care at the same location True False
11. No nanny services, adoption services or referral operations True False
12. No home-made play equipment True False
13. Applicant is licensed and/or registered with the state (when required) True False
14. No exposure to trampoline, moonwalk or bounce equipment, gymnastic or wall- climbing equipment or ball-pits N/A True False
15. No martial arts or organized contact sports True False
16. Facility has more than one means of egress True False

17. No medications are dispensed without the parent's/guardian's and physician's (when required) written consent and instruction, and a log is kept of medicine administration True False
18. No prior animal injury without any changes or controls in place to prevent future occurrence True False
19. During the past five years, no applicant has been convicted of any degree of the crime of arson True False
20. All children accepted are under 15 years of age True False
21. All doors are equipped / furnished with a permanent Door Finger Guard/Pinch Shield True False
22. An application is obtained including complete medical, emergency and contact information, is completed and signed by a parent or legal guardian for all children prior to their first stay (including drop-in centers) True False
23. Children are not left exclusively with caregivers under the age of 18 or with volunteers that have not had a background check performed by the center True False
24. Children are not left unsupervised at any time (including nap time) True False
25. No children enrolled or accepted that require skilled or specialized medical care True False
26. All cubbies and bookcases over 24 inches are affixed to a wall or floor True False
27. Any violation cited in an inspection (conducted by state or insurance company) has been corrected within the deadline for compliance True False
28. Applicant does not travel to destinations to provide child care services True False
29. No field trips to off premises residential swimming pools, lakes, beaches, skiing, ice/roller skating rinks, amusement/water parks or overnight True False
30. No more than 2 losses in the past 5 years and/or losses totaling more than \$25,000 True False
31. No prior or current state citation/violation for lack of supervision, inadequate staff to child ratio, incomplete medical records for enrolled children or inadequate state required background checks True False

Answer if this is a RESIDENTIAL CENTER

1. Infants are placed in cribs and not on beds during naptime N/A True False
2. There is a 1:6 staff to child ratio if ANY child is less than 3 years old or 1:8 staff to child ratio if EVERY child is over 3 years old True False
3. No use of wood stoves, space heaters or temporary heating devices True False

Answer if you are a COMMERCIAL CENTER

1. Kitchen facilities and heating appliances are physically separated from the children N/A True False
2. There is a minimum of six inches of loose fill surfacing material (i.e. sand, pea gravel, shredded wood product or shredded rubber) OR a shock absorbing surface material (i.e. rubber tiles, mats or poured in place material) under all permanently installed climbing, rocking, rotating, bouncing or moving equipment. True False
3. Staff to child ratios meet the minimum state regulation at all times True False

Answer if you have any children enrolled with SPECIAL NEEDS

1. Center does not specialize in caring for children with special needs (less than 20% of the children require special care) N/A True False
2. No children who are non-functioning in social atmosphere or display or have displayed in the past violent or aggressive behavior that may cause harm to themselves or others True False
3. Children have independent movement, are ambulatory and are mobile True False
4. No child has a condition that requires invasive medical procedures True False

Answer if you are a 100% DROP-IN CENTER

1. This is not a sick child center N/A True False
2. Center is not open past 11 p.m. True False
3. Center has procedures in place so that once maximum licensed capacity or maximum staff to child ratio is reached no additional children are accepted True False

Answer if a 100% BEFORE/AFTER SCHOOL PROGRAM

1. Center is licensed to provide before or after care N/A True False
2. Program is not located in gymnasium or cafeteria without structured activities True False
3. Program is not run by or in the name of the school True False

Answer if you are a DAY CAMP/SUMMER CAMP

1. Children are not allowed to stay overnight N/A True False
2. Risk does not offer specialized care, such as weight loss camp or sports camp True False
3. No staff under age 18 True False
4. No children over the age of 15 enrolled in camp True False
5. All staff under the age of 21 and all volunteers are supervised by an employee over the age of 21 True False
6. Risk is not a seasonal only camp (I.E. open only in summer months – June through August) True False

HIRED/NON-OWNED LIABILITY COVERAGE

1. Does applicant currently have a Business Auto policy? No Coverage Desired No Yes
2. Do you transport children or provide any transportation of children using insured's, employee's, other individual's vehicles (including parents) or contract service? No Yes
3. The applicant does not require its employees or volunteer to use their personal vehicles to conduct True False

the applicant's business

4. The applicant does not have any owned vehicles or lease any automobiles on a long term basis

True False

IV. ADDITIONAL APPLICANT INFORMATION

What year did the applicant purchase this property? _____

Form of business: Individual Corporation Partnership LLC Other _____

Applicant's mailing address: _____ (if different than the location address above)

City: _____ State: _____ Zip: _____

E-mail address of primary contact: _____ Phone: _____

Inspection contact name: _____ Telephone/E-mail address: _____

FRAUD STATEMENTS

Alabama, Arkansas, District of Columbia, New Mexico, Rhode Island and West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Colorado Fraud Statement: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

Florida Fraud Statement: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Kansas Fraud Statement: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Maine Fraud Statement: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits

Maryland Fraud Statement: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Jersey Fraud Statement: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New York Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Oklahoma Fraud Statement: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Oregon Fraud Statement: Notice to Oregon applicants: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

Kentucky, Pennsylvania AND Ohio Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Tennessee, Virginia and Washington Fraud Statement: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Fraud Statement (All Other States): Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

STATE NOTICES

Arizona Notice: Misrepresentations, omissions, concealment of facts and incorrect statements shall prevent recovery under the policy only if the misrepresentations, omissions, concealment of facts or incorrect statements are; fraudulent or material either to the acceptance of the risk, or to the hazard assumed by the insurer or the insurer in good faith would either not have issued the policy, or would not have issued a policy in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss, if the true facts had been made known to the insurer as required either by the application for the policy or otherwise.

Florida Surplus Lines Notice: (Applies only if policy is non-admitted) You are agreeing to place coverage in the surplus lines market. Superior coverage may be available in the admitted market and at a lesser cost. Persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer.

Florida and Illinois Punitive Damage Notice: I understand that there is no coverage for punitive damages assessed directly against an insured under Florida and Illinois law. However, I also understand that punitive damages that are not assessed directly against an insured, also known as "vicariously assessed punitive damages", are insurable under Florida and Illinois law. Therefore, if any Policy is issued to the Applicant as a result of this Application and such Policy provides coverage for punitive damages, I understand and acknowledge that the coverage for Claims brought in the State of Florida and Illinois is limited to "vicariously assessed punitive damages" and that there is no coverage for directly assessed punitive damages.

Maine Notice: The insurer is not permitted to withdraw any binder once issued, but a prospective notice of cancellation may be sent and coverage denied for fraud or material misrepresentation in obtaining coverage. A policy may not be unilaterally rescinded or voided.

Minnesota Notice: Authorization or agreement to bind the insurance may be withdrawn or modified only based on changes to the information contained in this

application prior to the effective date of the insurance applied for that may render inaccurate, untrue or incomplete any statement made with a minimum of 10 days' notice given to the insured prior to the effective date of cancellation when the contract has been in effect for less than 90 days or is being canceled for nonpayment of premium.

Ohio Representation Statement: By acceptance of this policy, the Insured agrees the statements in the application (new or renewal) submitted to the company are true and correct. It is understood and agreed that, to the extent permitted by law, the Company reserves the right to rescind this policy, or any coverage provided herein, for material misrepresentations made by the Insured. It is understood and agreed that the statements made in the insurance applications are incorporated into, and shall form part of, this policy. **THE INSURED UNDERSTANDS AND AGREES THAT ANY MATERIAL MISREPRESENTATION OR OMISSION ON THIS APPLICATION WILL ACT TO RENDER ANY CONTRACT OF INSURANCE NULL AND WITHOUT EFFECT OR PROVIDE THE COMPANY THE RIGHT TO RESCIND IT.**

Utah Punitive Damages Notice: I understand that Punitive Damages are not insurable in the state of Utah. There will be no coverage afforded for Punitive Damages for any Claim brought in the State of Utah. Any coverage for Punitive Damages will only apply if a Claim is filed in a state which allows punitive or exemplary damages to be insurable. This may apply if a Claim is brought in another state by a subsidiary or additional location(s) of the Named Insured, outside the state of Utah, for which coverage is sought under the same policy.

If your state requires that we have information regarding your Authorized Retail Agent or Broker, please provide below.

Retail agency name: _____ License #: _____

Agent's signature: _____ Main agency phone number: _____

(Required in New Hampshire)

Agency mailing address: _____

City: _____ State: _____ Zip: _____

The signer of this application acknowledges and understands that the information provided in this Application is material to the Insurer's decision to provide the requested insurance and is relied on by the Insurer in providing such insurance. The signer of this application represents that the information provided in this Application is true and correct in all matters. The signer of this Application further represents that any changes in matters inquired about in this Application occurring prior to the effective date of coverage, which render the information provided herein untrue, incorrect or inaccurate in any way will be reported to the Insurer immediately in writing. The Insurer reserves the right to modify or withdraw any quote or binder issued if such changes are material to the insurability or premium charged, based on the Insurer's underwriting guides. The Insurer is hereby authorized, but not required, to make any investigation and inquiry in connection with the information, statements and disclosures provided in this Application. The decision of the Insurer not to make or to limit any investigation or inquiry shall not be deemed a waiver of any rights by the Insurer and shall not estop the Insurer from relying on any statement in this Application in the event the Policy is issued. It is agreed that this Application shall be the basis of the contract should a policy be issued and it will be attached and become a part of the Policy.

Applicant's signature: _____

Title: _____
President, Chairperson of the Board, Managing Member, or Executive Director

Date: _____