



# Proposal of Insurance

## Iowa City Community School District

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1725 N. Dodge Street  
Iowa City, IA 52245

Presentation Date: May 26, 2026

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Arthur J. Gallagher Risk Management Services, LL  
AJG License Nos. IL 100292093/CA 0D69293

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# Proposal Summary

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Curt & The Iowa City CSD Board,

On behalf of the Gallagher team, we express our sincere gratitude for the opportunity to present our wall-to-wall Equipment Maintenance proposal for Iowa City CSD Board.

With a rich history dating back to our establishment in Chicago in 1927, Gallagher has amassed over 90 years of experience in the insurance brokerage and risk management industry. Globally, we handle the placement and administration of premiums exceeding twenty billion dollars, and our K-12 education practice has always been a fundamental strength within our company. Currently, it represents a substantial portion of our brokerage business.

As the largest insurance broker for Public School Districts in the United States, we proudly insure over 6,500 public schools, and our practice is supported by leading brokers in the industry. Gallagher has emerged as a prominent broker for Iowa Schools, forging strong relationships and delivering exemplary service. We take pride in keeping our clients informed about emerging issues and trends, which includes offering Iowa schools a solution to cover equipment maintenance costs from the general fund.

Customer service is at the core of Remi and Gallagher's mission. We firmly believe that a successful Equipment Maintenance program hinges on the people involved. To ensure your satisfaction, we will conduct bi-monthly implementation calls, allowing Iowa City CSD Board to provide input and customize the design of our online transparency portal. Furthermore, we will facilitate real-time Q&A sessions as needed. The Remi transparency portal has proven to be a significant efficiency boost for our existing clients, surpassing the paper-based systems previously employed by districts, as evidenced by the client testimonials featured in this proposal.

Under this program, your district will be reimbursed for maintenance and repair work conducted by your in-house maintenance staff, as well as reimburse your preferred maintenance service providers at a rate of **\$110 per hour** for covered maintenance and repairs. The Remi Group has a successful track record in securing business in Iowa, having served numerous entities, including Iowa Universities, Public Entities, the State of Iowa, and more than 20 other state contracts.

Key details about The Remi Group:

- Founded in 1998
- U.S. General Services Administration (GSA) Contract Holder
- Manages 24 State Contracts
- Analyzed 850,000+ vendor service agreements valued at \$1.9 billion
- Collaborates with 2,500+ service vendors across the country
- Oversees more than 1 Million service events
- Transparency Portal – Customizable / No Lag Time / Superior Operational Efficiencies

## **Remi and Gallagher offer Iowa City CSD Board the below options:**

### **1. Annual Premium: \$1,993,572.00**

In addition to our competitive premiums, increased in-house reimbursement rate, the Remi Group offers Iowa City CSD a comprehensive Transparency Portal. This portal empowers your district to track invoice and reimbursement payments promptly, eliminating any lag time between invoice payment and equipment arrival. The Remi Group directly handles vendor payments, streamlining the equipment procurement process. Moreover, the Remi Group's Transparency Portal provides real-time data analytics to Iowa City CSD, offering insights on purchasing, ordering, shipping, and loss trends associated with this program.

Iowa school districts have consistently chosen Gallagher and Remi as their preferred broker and equipment maintenance provider due to our resources, specialized expertise in the public sector, and strong relationships with reputable insurance providers. We pride ourselves on delivering long-term stability while maintaining a personal approach that is dependable, consistent, and unmatched in terms of service quality.

We look forward to our relationship with Iowa City CSD, and remain committed to delivering best-in-class service and coverage both now and in the future.

Thank you!

Sincerely,

Your Gallagher Team



Jack Kurcab, Area Senior Vice President  
Arthur J. Gallagher Risk Management Services, Inc.  
jack\_kurcab@ajg.com | ajg.com  
(630) 634-4036



Marcus Henthorn, Area Senior Executive Vice President  
Managing Director of Public Sector  
Arthur J. Gallagher Risk Management Services, Inc  
marcus\_henthorn@ajg.com | ajg.com  
(515) 441-2555

Iowa City Community School District



March 3, 2025

Re: Equipment Maintenance Insurance Program – Remi Holdings LLC

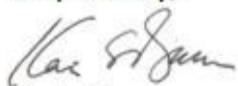
Southeast Polk Community School District has been a valued client of Remi Holdings LLC as part of their equipment maintenance insurance program since July 2018. The experiences that the District has had with the filing of claims and subsequent reimbursements has been excellent!

The District started the program covering general equipment in all of our buildings and have since enhanced the program to cover heating, ventilation, and air conditioning systems. These repairs continue to be the costliest of all of our building repairs. This year alone, the District's HVAC repair costs have increased by 150% compared to last year thru January. With our HVAC systems and components covered in the Remi program, the District has been able to recoup most all of those repair costs through this insurance program. The insurance program will also work directly with an approved contractor for any major repairs. This eliminates the District having to fund major repairs on the front end.

Additionally, the District continues to self-perform repairs to technology devices and receives a reimbursement at an agreed upon hourly rate for our employee's times under the insurance program. This allows the District to make repairs to student and staff devices in a very efficient manner AND reimburses the District for our employees' time spent on making these repairs.

Southeast Polk Community School District continues to find value in being a part of the equipment maintenance insurance program. The claims submission process with Remi is simple, effective, and very efficient. I would highly recommend Remi Holdings LLC for these services.

Respectfully,



Kevin Baccam  
Chief Financial Officer

## Iowa City Community School District



### REMI / Gallagher – Testimonial – West Central Valley CSD Equipment Maintenance

My name is Symantha Crawford; I am the School Business Official for West Central Valley CSD & Panorama CSD. I have unique experiences and feedback, as I believe I am one of the few business managers that has experience with both Specialty Underwriters and REMI for equipment breakdown insurance simultaneously. While “insurance is insurance”, there are fundamental differences in the two programs that make REMI the clear choice in my mind.

The district first began looking at equipment breakdown insurance coverage for West Central Valley in the spring of 2018. This type of insurance was not something that WCV had in the past, but as my knowledge of all aspects of insurance grew, I realized this coverage would greatly benefit both the district general fund budget, as well as from a preventative maintenance aspect. We went through a vetting process of both SU and REMI, as well as several meetings with representatives of both Gallagher and Jester Insurance. Our administrative team made the decision that REMI was the best choice for WCV.

Due to circumstances that I would be happy to share in a conversation, the district did not elect equipment breakdown coverage with either group for the 2018-2019 school year. That being said, in January of 2019 I began the shared SBO role with Panorama CSD, a district that has had Specialty Underwriters for equipment breakdown coverage for several years. This allowed me to see this program in action, and to solidify my decision that REMI was the best option for West Central Valley.

In the spring of 2019 the WCV administrative team once again began the process of looking at equipment breakdown insurance coverage with both REMI and SU. A year later, with more first hand knowledge of the two programs, our board of directors did approve REMI for coverage for the 2019-2020 school year, even though the premium was more expensive than SU. The high level of service and professional respect that the Gallagher/REMI team provides, as well as a fundamental difference in the claims process, was justification for this decision.

The Gallagher and REMI team set up introduction/demo’s with my team and I, which allowed us to immediately become comfortable utilizing their system and processes. Bi-monthly calls occurred during the first few months of the inception of our program to make sure that all questions were answered. REMI and Gallagher provide local boots on the ground and regular service calls to make sure that all is in order and any questions that the district has are addressed immediately, which is crucial to the success of the program.

Fundamental Difference = Claims are approved and paid with REMI if the equipment is covered - End Of Story. There is no tedious claims process or chain of required paperwork or chance of breakdown in the steps to have valid claims paid that I have seen firsthand with SU. The administrative ease of the REMI program is a perfect fit for districts that want a successful equipment breakdown insurance program.

The REMI online transparency portal allows us to see real-time updates on each claim, where it is in the process, if it’s been paid and if the district has been reimbursed. The system also allows us to track our in-house reimbursement hours. We have been with Special Underwriters for several years at Panorama, and have never had access to this sort of system.

REMI was a great decision for West Central Valley CSD, my administration staff, buildings and grounds, technology, transportation and the district as a whole. The initial year has been eye-opening & educational, and I consider myself lucky to work with the individuals at REMI and Gallagher who help make this program a success at West Central Valley CSD.

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

**Symantha Crawford**

**Business Manager – West Central Valley CSD & Panorama CSD**

[scrawford@wcv.k12.ia.us](mailto:scrawford@wcv.k12.ia.us) - (515) 971-6364

# Iowa City Community School District



**BEDFORD COMMUNITY SCHOOL**  
906 Penn Street • P.O. Box 234 • Bedford, IA 50833  
www.bedford.k12.ia.us

**BOARD OF DIRECTORS**  
Jack Spencer, President  
James Johnson, Vice President  
Mike Irvin, Member  
Joe Murphy, Member  
Rodger Ritchie, Member  
Sharon Hart, Secretary-Treasurer

January 8, 2020

Jack Kurcab  
2850 Golf Road, 9th Floor  
Rolling Meadows, IL 60008

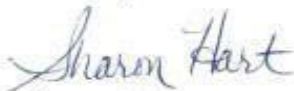
Dear Jack:

I just wanted to drop you a note to let you know the Bedford Community School District has been very pleased with the switch we made from Specialty Underwriters to Remi Group equipment insurance coverage. We initially made the switch because your premiums were much more reasonable and saved us thousands of dollars, but ended up being genuinely glad we made the change because your customer service way out-shines your competitor. Your local customer service rep is very knowledgeable, helpful, doesn't belittle our staff when they call and ask questions, and is always there when needed with a quick response time. That value in itself is worth the switch. On top of that, our vendors get paid directly and quickly, which keeps the paperwork off my desk, and makes our vendors happy for a quicker payment, since the district only pays bills once per month. We even get reimbursed at a good rate for our in-house repairs!

Moreover, I was introduced to the Remi Group online portal where we can look up claims and see what claims have been submitted and processed for each of our vendors, and print out reports for our board so they can see their insurance coverage at work throughout the year, instead of having to wait for year end to get a report on services. They appreciated that very much!

We have been very pleased with the switch to Remi Group, and would highly recommend your services to other school districts. It has saved us thousands of dollars and has made both our vendors and district staff very happy!

Sincerely,



Sharon Hart  
School Business Official  
Bedford Community School District

JOE DRAKE, Superintendent  
Ph: (712) 523-2656 • Fax: (712) 523-3166

DANA NALLY, PK-Elementary Principal  
Ph: (712) 523-2116 • Fax: (712) 523-2589

MICHAEL IRVIN, Secondary Principal  
Ph: (712) 523-2114 • Fax: (712) 523-2308

## Iowa City Community School District



**Waukee Community School District**  
560 SE University Ave., Waukee, IA 50263  
P 515.987.5161

February 27, 2025

To Whom It May Concern,

I am happy to recommend REMI Equipment Breakdown Insurance. Our experience with them has been very positive. We have been a customer for five years.

The process for filing claims is easy and works efficiently. When covered equipment breaks down, we are able to fix the equipment either in-house or through a vendor.

One of the things we like most is the online system that lets us track our claims. We can see what's happening with each claim and know exactly where it stands. This makes everything easier and keeps us informed. REMI reaches out to ask questions as needed and the process works smoothly. Our reimbursements are timely, too!

Another positive to mention regarding our relationship with REMI is how they have been supportive and flexible as our school district has changed. As the fastest growing school district in the state, we have added staff, students, and buildings each year. We have also changed out our 1:1 device fleet over this period which requires new quotes and discussions with REMI.

Furthermore, the yearly renewals are fair, and we don't get any surprise price increases. The AJG insurance brokers keep us informed of how the program is operating and we have discussions about necessary increases well ahead of renewal time. This helps us feel confident that we're getting good value and that our budget is predictable.

Overall, I highly recommend REMI Equipment Breakdown Insurance because of their strong communication, online system for tracking claims, good customer service, and fair yearly renewals.

If you have any questions, please feel free to contact me at (515) 987-5161.

Sincerely,



Sarah Enfield, CFO  
Waukee Community School District



## Iowa City Community School District



Since arriving at Saydel, Remi has consistently proven to be a highly valued vendor. Their approach to improving equipment maintenance, adapting to the district's evolving needs, and responding to our goals have set them apart. Remi's commitment to timely reimbursement processing and clear, open communication has made them an indispensable partner in ensuring the smooth operation of our equipment repairs. We wholeheartedly recommend Remi to our peers as a trusted and reliable resource.

Amber Ray  
Executive Director of Business and Operations

### **DISTRICT OFFICE**

5740 NE 14th Street  
Des Moines, IA 50313  
515-264-0866

### **SAYDEL HIGH SCHOOL**

5601 NE 7th Street  
Des Moines, IA 50313  
515-262-9325

### **WOODSIDE MIDDLE SCHOOL**

5740 NE 14th Street  
Des Moines, IA 50313  
515-265-9451

### **CORNELL ELEMENTARY SCHOOL**

5817 NE 3rd Street  
Des Moines, IA 50313  
515-244-8173

[www.saydel.k12.ia.us](http://www.saydel.k12.ia.us)

"Big City Opportunities,  
Small Town Commitment  
for Students"

# Your Gallagher Team

Your Gallagher team is a true partner. We have the expertise to understand your business and we're here to service and stay alongside you, every step of the way.

<i>Service Team</i>	<i>Role</i>	<i>Email</i>	<i>Phone</i>
<b>Jack Kurcab</b> Area Vice President	Broker	<a href="mailto:Jack_Kurcab@rpadmin.com">Jack_Kurcab@rpadmin.com</a>	630.634.4036
<b>Marcus Henthorn, CLCS</b> National Sales Director, Program Administration	Broker	<a href="mailto:Marcus_Henthorn@rpadmin.com">Marcus_Henthorn@rpadmin.com</a>	630.694.5152
<b>Laura O'Malley</b> Executive Program Manager	Client Service Executive	<a href="mailto:Laura_OMalley@rpadmin.com">Laura_OMalley@rpadmin.com</a>	630.228.6717
<b>Lillian Wagner</b> Client Service Manager II	Client Service Manager	<a href="mailto:Lillian_Wagner@rpadmin.com">Lillian_Wagner@rpadmin.com</a>	630.647.3162
<b>Maria Cedeno</b> Client Service Manager I	Client Service Manager	<a href="mailto:Maria_Cedeno@rpadmin.com">Maria_Cedeno@rpadmin.com</a>	630.285.3947

# Premium Summary

The estimated program cost for the options is outlined in the following table:

Line of Coverage		Renewal Option
		The Remi Group LLC
Equipment Maintenance	Premium	\$1,993,572.00
	<b>Estimated Cost*</b>	<b>\$1,993,572.00</b>
	Change (\$)	
	Change (%)	
<b>Total Cost</b>		<b>\$1,993,572.00</b>

\*Estimated Cost includes all taxes, fees, surcharges and TRIA premium (if applicable).

Premiums are due and payable as billed and may be financed, subject to acceptance by an approved finance company. Following acceptance, completion (and signature) of a premium finance agreement with the specified down payment is required. Note: Unless prohibited by law, Gallagher may earn compensation for this optional value-added service.

Gallagher is responsible for the placement of the following lines of coverage: Equipment Maintenance.

It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.

Where permitted by law, Gallagher may assess a \$100 Agency Bill Administration Fee on all new and renewal policy placements where Gallagher is responsible for collecting client premium and remitting payment to insurance carriers and other third parties. In connection with such billing obligations, Gallagher assumes additional administrative, financial and compliance obligations that introduce significant risks to Gallagher's business. Should you change to direct bill, where available, or premium finance the transaction, you will not incur the Agency Bill Administration Fee.

# Named Insured

Named Insured	Equipment Maintenance
Iowa City Community School District	X

**Note:** Any entity not named in this proposal may not be an insured entity. This may include affiliates, subsidiaries, LLCs, partnerships, and joint ventures.

# Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost-effective insurance program.

Line of Coverage	Market Response*	Insurance Company** (AM Best Rate/Financial Strength)	Admitted***
Equipment Maintenance	Recommended Quote	The Remi Group LLC (A XV)	Admitted

\*If shown as an indication, the actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\*\*Gallagher companies use AM Best rated insurers and the rating listed above was verified on the date the proposal document was created.

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A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company's financial strength and ability to meet its obligations to policyholders. Best's Credit Ratings™ are under continuous review and subject to change and/or affirmation. For the latest Best's Credit Ratings™ and Guide to Best's Credit Ratings, visit the AM Best website at <http://www.ambest.com/ratings/>.

\*\*\*If coverage placed with a non-admitted carrier, it is doing business in the state as a surplus lines or non-admitted carrier, and is neither subject to the same regulations as an admitted carrier nor do they participate in any state insurance guarantee fund.

Gallagher companies make no representations and warranties concerning the solvency of any carrier, nor does it make any representation or warranty concerning the rating of the carrier which may change.

# Coverage Highlights

Equipment Maintenance	Recommended Quote
<b>Policy Term</b>	<b>07/01/2026-07/01/2027</b>
Carrier Information	The Remi Group LLC
Payment Plan	Annual
Payment Method	Direct Bill
<b>Premium &amp; Exposures</b>	
Equipment Maintenance Premium	\$1,993,572.00 (Annual Premium)
<b>Estimated Cost</b>	<b>\$1,993,572.00</b>
<b>Core Equipment Maintenance Coverage</b>	
Equipment Maintenance Coverage:	
HVAC Controls/Building Automation Systems	Repair Only Coverage
Hardware Coverage	See equipment types Covered Document for details
<b>In-House Repair Labor Reimbursement Rate</b>	<b>\$110.00 per Hour</b>
Drums, Cleaning Webs, & Waster Toner Bottle	Included
Consumables Coverage	Other consumables specifically associated with repair of equipment is covered up to \$25 per item
Transport of Equipment	\$15 flat rate per round trip limited to \$5,229/year
HVAC – Corrective repairs	Included but service must be performed by a REMI Designated Vendor
HVAC – PM	<ul style="list-style-type: none"> <li>• 24/7/365 Service Support</li> <li>• One (1) annual coil cleaning</li> <li>• Quarterly Filter Changes</li> <li>• Quarterly Visits</li> <li>• Service must be performed by Remi designated vendor</li> </ul>
<b>Exclusions including but not limited to:</b>	
Software/licensing HVAC Controls/Building Automation Systems Replacement Controls Refrigerant, gaskets, fuses, lamps, and bulbs.	
<b>Binding Requirements:</b>	
Completed and signed Client Authorization to Bind	
<b>Other Significant Terms and Conditions/Restrictions:</b>	
Quote is per attached Equipment Application completed by client	
<b>Notes &amp; Claim Reporting</b>	
Description	Repairs that exceed \$10,000 must be reported to Remi @ 877-275-7364 for authorization prior to commencing any repair.
CLAIMS/DISPATCH note	Copiers will include drums, developers, and toners.

# Claims Reporting By Policy

**Immediately report all claims.** Each insurer requires notice of certain types of claims depending on the potential exposure or particular injury types. It is important to thoroughly review your policy to ensure you are reporting particular incidents and claims, based upon the insurer’s policy requirements.

If you are using a third-party administrator (“TPA”), your TPA may or may not report claims to an insurer on your behalf. Although we will assist you where requested, it is important that you understand whether your TPA will be completing this notification.

## Reporting Direct to Carrier [Only When Applicable]

Coverage: Equipment Maintenance	Immediately Report Claims Directly To:
<b>Insurer:</b> The Remi Group LLC	Insurer/TPA Name: The Remi Group LLC
<b>Policy Term:</b> 07/01/2026-07/01/2027	Email: <a href="mailto:claims@theremigroup.com">claims@theremigroup.com</a>
	For pre-approval if claims exceed \$10,000 threshold call (877) 275-7364

# Proposal Disclosures

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The following disclosures are hereby made a part of this proposal. Please review these disclosures prior to signing the Client Authorization to Bind or e-mail confirmation.

## Proposal Disclaimer

**IMPORTANT:** The proposal and/or any executive summaries outline certain terms and conditions of the insurance proposed by the insurers, based on the information provided by your company. The insurance policies themselves must be read to fully understand the terms, coverages, exclusions, limitations and/or conditions of the actual policy contract of insurance. Policy forms will be made available upon request. We make no warranties with respect to policy limits or coverage considerations of the carrier.

## Compensation Disclosure

1. Gallagher Companies are primarily compensated from the usual and customary commissions, fees or, where permitted, a combination of both, for brokerage and servicing of insurance policies, annuity contracts, guarantee contracts and surety bonds (collectively "insurance coverages") handled for a client's account, which may vary based on market conditions and the insurance product placed for the client.
2. In placing, renewing, consulting on or servicing your insurance coverages, Gallagher companies may participate in contingent and supplemental commission arrangements with intermediaries and insurance companies that provide for additional compensation if certain underwriting, profitability, volume or retention goals are achieved. Such goals are typically based on the total amount of certain insurance coverages placed by Gallagher with the insurance company, not on an individual policy basis. As a result, Gallagher may be considered to have an incentive to place your insurance coverages with a particular insurance company. If you do not wish to have your commercial insurance placement included in consideration for additional compensation, contact your producer or service team for an Opt-out form.
3. Gallagher Companies may receive investment income on fiduciary funds temporarily held by them, or from obtaining or generating premium finance quotes, unless prohibited by law.
4. Gallagher Companies may also access or have an ownership interest in other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for both Gallagher and other brokers in the insurance marketplace some of which may earn and retain customary brokerage commission and fees for their work.

If you have specific questions about any compensation received by Gallagher and its affiliates in relation to your insurance placements, please contact your Gallagher representative for more details.

## TRIA/TRIPRA Disclaimer

If this proposal contains options to purchase TRIA/TRIPRA coverage, the proposed TRIA/TRIPRA program may not cover all terrorism losses. While the amendments to TRIA eliminated the distinction between foreign and domestic acts of terrorism, a number of lines of coverage excluded under the amendments passed in 2005 remain excluded including commercial automobile, burglary and theft insurance; surety insurance, farm owners multiple perils and professional liability (although directors and officers liability is specifically included). If such excluded coverages are required, we recommend that you consider purchasing a separate terrorism policy. Please note that a separate terrorism policy for these excluded coverages may be necessary to satisfy loan covenants or other contractual obligations. TRIPRA includes a \$100 billion cap on insurers' aggregate liability.

TRIPRA is set to expire on December 31, 2027. There is no certainty of extension, thus the coverage provided by your insurers may or may not extend beyond December 31, 2027. In the event you have loan covenants or other contractual obligations requiring that TRIA/TRIPRA be maintained throughout the duration of your policy period, we recommend that a separate "Stand Alone" terrorism policy be purchased to satisfy those obligations.

## Property Estimator Disclaimer

These property values were obtained using a desktop Property Estimator software operated by non-appraisal professionals. These property values represent general estimates which are not to be considered a certified appraisal. These property values include generalities and assumptions that may produce inaccurate values for specific structures.

## Confidentiality Statement

We consider as confidential any information presented by Risk Program Administrators in response to your "request for proposal," as well as subsequent verbal and written communications between our organizations. We ask that other brokers not have access to our material and that information presented in this proposal be shared only with those who have a need to know within your company. We make our commitment to you that information already received from you, and additional to follow, will be treated with the same high level of respect and confidentiality.

## **Terms and Conditions**

It is important that we clearly outline the nature of our mutual relationship. The following terms and conditions (these “Terms”) govern your relationship with Gallagher unless you have separately entered into a written services agreement with Gallagher relative to the policies and services outlined in this Proposal, in which case that services agreement will govern and control with respect to any conflicts with these Terms. These Terms will become effective upon your execution of the Client Authorization to Bind Coverage (the “CAB”) included in this Proposal and shall survive for the duration of your relationship with Gallagher relative to the policies placed pursuant to the CAB or otherwise at your request.

### **Services**

Gallagher will represent and assist you in all discussions and transactions with insurance companies relating to the lines of insurance coverage set forth in the CAB and any other lines of insurance coverage with which you request Gallagher’s assistance. Gallagher will consult with you regarding any matters involving these or other coverages for which you have engaged Gallagher. You have the sole discretion for approving any insurance policies placed, as well as all other material decisions involving your risk management, risk transfer and/or loss prevention needs.

Although you are responsible for notifying applicable insurance companies directly in connection with any claims, demands, suits, notices of potential claims or any other matters as required by the terms and conditions of your policies, Gallagher will assist you in determining applicable claim reporting requirements.

Gallagher is not required to provide Services to you if Gallagher reasonably considers that to do so would put Gallagher in breach of, or would expose Gallagher or its affiliates to fines, penalties or sanctions under any laws, regulations, professional rules or, in Gallagher’s sole opinion, you have breached a term/the terms of the Policies. In such circumstances, Gallagher will be entitled to terminate its Services with immediate effect. In the event that Gallagher exercises its right to terminate its Services with immediate effect, Gallagher will not be responsible or liable to you for any direct or indirect loss which you or any other party may suffer as a result.

Please be aware that Gallagher is generally restricted from providing broking, claims handling or other services that relate to Cuba and Iran, including due to significant difficulties in processing payments and other commercial and reputational considerations.

### **Treatment of Information**

Gallagher understands the need to protect the confidentiality and security of your confidential and sensitive information and strives to comply with applicable data privacy and security laws. Your confidential and sensitive information will be protected by Gallagher and only used to perform services for you; provided that Gallagher may disclose and transfer your information (including transfers outside the United States in compliance with applicable laws) to our affiliates, agents or vendors that have a need to know such information in connection with the provision of such services (including insurance markets, as necessary, for marketing, quoting, placing and/or servicing insurance coverages). We may also disclose such information as required by applicable data protection laws or the order of any court or tribunal, subject to our providing you with prior notice as permitted by law. The parties agree that confidential information does not include aggregate, anonymized or de-identified data. In addition, we may also utilize your aggregated, anonymized, or de-identified information in connection with benchmarking, risk modeling and other data analytics, service or product improvements, and offerings, and similar business purposes. You further agree we may use your information with artificial intelligence or other automated applications for the purposes of improving or delivering our services to you.

We will (i) implement appropriate administrative, physical and technical safeguards to protect personal information; (ii) timely report security incidents involving personal information to affected parties and/or regulatory bodies; (iii) create and maintain required policies and procedures; and (iv) comply with data subjects’ rights, as applicable. To the extent applicable under associated data protection laws, you are a “business” or “controller” and Gallagher is a “service provider” or “data processor.” You will ensure that any information provided to Gallagher has been provided with any required notices and that you have obtained all required consents, if any and where required, or are otherwise authorized to transfer all information to Gallagher and enable Gallagher to process the information for the purposes described in this Proposal and as set forth in Gallagher’s Privacy Policy located at <https://www.ajg.com/privacy-policy/>. Gallagher may update its Privacy Policy from time to time and any updates will be posted to such site.

### **Dispute Resolution**

Gallagher does not expect that it will ever have a formal dispute with any of its clients. However, in the event that one should arise, we should each strive to achieve a fair, expedient and efficient resolution and we’d like to clearly outline the resolution process.

- A. If the parties have a dispute regarding Gallagher’s services or the relationship governed by this Proposal (“**Dispute**”), each party agrees to resolve that Dispute by mediation. If mediation fails to resolve the Dispute, you and Gallagher agree to binding arbitration. Each party waives all rights to commence litigation in court to resolve a Dispute, and specifically waives all rights to pursue relief by class action or mass action in court or through arbitration. However, the parties do not waive the ability to seek a court order of injunction in aid of the mediation and arbitration required by these Terms.
- B. The party asserting a Dispute must provide a written notice (“**Notice**”) of the claim to the other party and to the American Arbitration Association (“**AAA**”) in accordance with its Commercial Arbitration Rules and Mediation Procedures. All Dispute resolutions will take place in Chicago, IL,

unless you and Gallagher agree to another location. The parties will equally divide all costs of the mediation and arbitration proceedings and will each pay their own attorneys' fees. All matters will be before a neutral, impartial and disinterested mediator or arbitrator(s) that have at least 20 years' experience in commercial and insurance coverage disputes.

- C. Mediation will occur within sixty (60) days of filing the Notice with the AAA. Mediation results will be reduced to a memorandum of understanding signed by you, Gallagher and the mediator. A Dispute that is not resolved in mediation will commence to binding arbitration. For Disputes in excess of \$500,000, either party may elect to have the Dispute heard by a panel of three (3) arbitrators. The award of the arbitrator(s) must be accompanied by a reasoned opinion prepared and signed by the arbitrator(s). Except as may be required by law, neither you, Gallagher, nor a mediator or arbitrator may disclose the existence, content or results of any Dispute or its dispute resolution proceeding without the prior written consent of both you and Gallagher.

### ***Electronic Delivery***

In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that Gallagher may be required to deliver to you (including, but not limited to, insurance policies and endorsements, account statements and all other agreements, forms and communications) in connection with services provided by Gallagher. Electronic delivery of a document to you may be made via electronic mail or by other electronic means, including posting documents to a secure website.

### ***Miscellaneous Terms***

Gallagher is engaged to perform services as an independent contractor and not as your employee or agent, and Gallagher will not be operating in a fiduciary capacity.

Where applicable, insurance coverage placements and other services may require the payment of federal excise taxes, surplus lines taxes, stamping or other fees to the Internal Revenue Service, various State(s) departments of revenue, state regulators, boards or associations. In such cases, you will be responsible for the payment of the taxes and/or fees, which Gallagher will separately identify on related invoices.

The Proposal and these Terms are governed by the laws of the State of Illinois, without regard to its conflict of law rules.

If an arbitrator/court of competent jurisdiction determines that any provision of these Terms is void or unenforceable, that provision will be severed, and the arbitrator/court will replace it with a valid and enforceable provision that most closely approximates the original intent, and the remainder of these Terms will remain in effect.

Except to the extent in conflict with a services agreement that you may enter into with Gallagher, these Terms and the remainder of the Proposal constitute the entire agreement between you and Gallagher with respect to the subject matter of the Proposal, and supersede all prior negotiations, agreements and understandings as to such matters.

# Compensation Disclosure Schedule

**Client Name:** Iowa City Community School District

Coverage(s)	Carrier Name(s)	Wholesaler, MGA, Or Intermediary Name <sup>1</sup>	Est. Annual Premium <sup>2</sup>	Gallagher U.S. Owned Wholesaler, MGA, Or Intermediary % And/or Fee
Equipment Maintenance	The Remi Group LLC	REMI Group	\$1,993,572.00	N/A

<sup>1</sup> We were able to obtain more advantageous terms and conditions for you through an intermediary/ wholesaler.

<sup>2</sup> If the premium is shown as an indication: The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

\* A verbal quotation was received from this carrier. We are awaiting a quotation in writing.

**Note:** When placing business with insurance companies, Gallagher Companies receive commission based on negotiated contractual terms with those carriers. The commission rate is a percentage of the premium excluding taxes and fees. Major lines of coverage, and their typical range of commissions are listed below. If you wish to receive more details on actual compensation paid to Gallagher Companies, please contact your Gallagher representative.

- **Accident & Health:** 15-25%
- **Aviation:** 14-15%
- **Contract Bonds:** 20-30%
- **All Other Bonds/Surety:** 30-35%
- **Builders Risk:** 15-18%
- **Property:** 15-22%
- **Inland Marine:** 20-22.5%
- **Ocean Marine:** 15-17.5%
- **Casualty:** 14-15%
- **Commercial Auto:** 12.5-15%
- **Package / Business Owners Package:** 15-16.8%
- **Workers Compensation:** 8-11%
- **All Other Commercial:** 10-20%
- **Executive/Professional Lines:** 15-17.5%
- **Medical Malpractice:** 10-12%

Compensation to Gallagher may also be disclosed in a Client Services Agreement or Consulting Services Agreement.

# Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 05/26/2026, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	Coverage/Carrier
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Equipment Maintenance The Remi Group LLC

## Exposures and Values

You confirm the payroll, values, schedules, and any other information pertaining to your operations, and submitted to the underwriters, were compiled from information provided by you. If no updates were provided to Gallagher, the values, exposures and operations used were based on the expiring policies. You acknowledge it is your responsibility to notify Gallagher of any material change in your operations or exposures.

## Additional Terms and Disclosures

Gallagher is not an expert in all aspects of your business. Gallagher's Proposals for insurance are based upon the information concerning your business that was provided to Gallagher by you. Gallagher expects the information you provide is true, correct and complete in all material respects. Gallagher assumes no responsibility to independently investigate the risks that may be facing your business, but rather have relied upon the information you provide to Gallagher in making our insurance Proposals.

Gallagher's liability to you arising from any of Gallagher's acts or omissions will not exceed \$20 million in the aggregate. The parties each will only be liable for actual damages incurred by the other party, and will not be liable for any indirect, special, exemplary, consequential, reliance or punitive damages. No claim or cause of action, regardless of form (tort, contract, statutory, or otherwise), arising out of, relating to or in any way connected with the Proposal, any of Gallagher's services or your relationship with Gallagher may be brought by either party any later than two (2) years after the accrual of the claim or cause of action.

Gallagher has established security controls to protect Client confidential information from unauthorized use or disclosure. For additional information, please review Gallagher's Privacy Policy located at <https://www.ajg.com/privacy-policy/>.

You have read, understand and agree that the information contained in the Proposal and all documents attached to and incorporated into the Proposal, is correct and has been disclosed to you prior to authorizing Gallagher to bind coverage and/or provide services to you. By signing below, or authorizing Gallagher to bind your insurance coverage through email when allowed, you acknowledge you have reviewed and agree with terms, conditions and disclosures contained in the Proposal.

By: \_\_\_\_\_

Print Name (Specify Title)

\_\_\_\_\_

Company

\_\_\_\_\_

Signature

Date: \_\_\_\_\_

## Appendix A

### Multi-Year Pricing

Remi agrees to not increase the annual premium for the policy for a complete term agreed upon by both parties subject to the following as part of an annual review:

Remi's "Total Fee Calculation", defined as claims data, commissions, and administrative fees, exceeds 80% of the annual premium fee for any annual policy term, Remi shall have the right to increase the renewing annual premium by giving a 30-day increase notice as follows:

<b>Total Fee Calculation Percentage of Annual Premium</b>	<b>Percentage Increase Range</b>
<80%	0%
80% - 100%	5% - 15%
≥100%	15%+

Adjustments herein shall not limit other fee adjustments which may be made for changes to the risk or quantity of equipment covered under the policy for the annual policy renewal.

## EQUIPMENT MAINTENANCE AGREEMENT

### STANDARD TERMS AND CONDITIONS

#### A. AGREEMENT

In return for **Your** payment of the **Agreement Amount**, **We** provide the coverage described herein subject to all the terms of this **Agreement**.

#### B. COVERAGE PROVIDED

**We** will pay each **Loss** that **You** incur as **Corrective Maintenance Charges** to return **Covered Equipment** to **Effective Operation** due to a **Precipitating Condition** during the **Agreement Period**.

#### C. DEFINITIONS

“**Actual Cash Value**” means the market value of the **Covered Equipment** or of similar equipment of equivalent age, kind, and functionality at the time of the **Loss**.

“**Agreement**” means this Equipment Maintenance Agreement including the Standard Terms and Conditions identified in pages 1-4; **Schedule of Covered Equipment**; and any resultant change orders issued by **Us**.

“**Agreement Period**” means term commencing as the **Effective Date** and ending on the **Expiration Date** or earlier termination date, if applicable, as listed on the **Schedule of Covered Equipment**.

“**Agreement Amount**” means the amount identified in the **Schedule of Covered Equipment** that **You** pay to **Us** for the **Services** provided under this **Agreement**, and any applicable tax or government charges imposed for the **Services** provided under this **Agreement**.

“**Corrective Maintenance Charges**” means necessary, standard, and customary charges for **Services** provided to **You** to restore **Covered Equipment** to **Effective Operation** including the cost of parts, **Labor**, travel, taxes, and shipping charges.

“**Covered Equipment**” means equipment owned or leased by **You** or equipment in **Your** care, custody or control, that is identified in the **Schedule of Covered Equipment**.

“**Effective Operation**” means the ability of **Covered Equipment** to render the same or similar service as prior to the development of a **Precipitating Condition** and operating within Original Equipment Manufacturer’s specifications for the **Covered Equipment**.

“**Labor**” is defined as seven (7) days per week, twenty-four (24) hours per day at the vendor’s prevailing labor rates, not including additional expenses associated with overtime, weekend, or holiday repair.

“**Loss**” means necessary **Corrective Maintenance Charges** incurred by **You** to restore **Covered Equipment** to **Effective Operation** due to a **Precipitating Condition**. If **You** purchase coverage for **Preventative Maintenance Charges**, which will be reflected on **Your Schedule of Covered Equipment**, then covered **Preventative Maintenance Charges** will be considered a **Loss**, as well.

“**Precipitating Condition**” means an impairment of the **Effective Operation** of **Covered Equipment** arising from electrical or mechanical failure.

“**Preventative Maintenance Charges**” means standard and customary charges for preventative maintenance services rendered to **You** upon **Covered Equipment** including the cost of parts, **Labor**, travel, and taxes. This **Agreement** does not cover **Preventative Maintenance Charges** unless the coverage has been specifically purchased by **You**, as reflected on **Your Schedule of Covered Equipment**.

“**Prorated Fee**” means the **Agreement Amount** adjusted for the time period the **Covered Equipment** was covered by this **Agreement** during the **Agreement Period**.

“**Provider**” means Remi and may also be referred to as **We**, **Us** or **Our**.

“**Purchaser**” means the entity as identified in the **Schedule of Covered Equipment** and may also be referred to as “**You**” and “**Your**”.

“**Schedule of Covered Equipment**” is incorporated by reference into this **Agreement** and identifies the **Covered Equipment** which **We** will pay for the **Loss** incurred by **You** during the **Agreement Period**, if all other conditions of this **Agreement** are met.

“**Remi Service**” means administration of equipment maintenance management programs.

#### D. TERMS AND CONDITIONS

##### 1. Aggregate Agreement Liability

**Our Aggregated Agreement Liability** is limited to an amount not to exceed two and one half (2.5) times the **Prorated Fee**.

##### 2. Limit of Liability

The most **We** will pay for any one **Loss** is the **Actual Cash Value** of the **Covered Equipment** at the time of **Loss**.

##### 3. Agreement Period and Territory

This **Agreement** applies only to **Losses** that occur:

- a. During the **Agreement Period**;
- b. Within the effective coverage period for each piece of **Covered Equipment** as specified on the **Schedule of Covered Equipment**; and
- c. While the **Covered Equipment** is physically located within the United States.

##### 4. Dispatch Procedure For Reporting Losses

- a. Subject to the provisions in this **Agreement**, to initiate **Service** under this **Agreement**, **You** must contact **Us** at 866-296-4847. **We** will dispatch service and, upon receipt of the necessary service vendor’s paperwork, **We** will review and process your **Loss** request and remit payment to the service vendor directly.
- b. For a **Covered Loss** **We** shall issue a purchase order to the service vendor to perform the services covered by this **Agreement**. If **You** authorize additional services not set forth in the purchase order issued by **Us**, **You** will be responsible for those costs or expenses. In the event **We** paid for costs or expenses (either parts, **Labor**, travel, taxes and/or shipping charges) which are not covered under the terms of this **Agreement**, **We** shall have the right to bill **You** for reimbursement of such uncovered costs or expenses. **You** agree to remit reimbursement to **Us** net thirty (30) days.
- c. **You** agree that **Our** Engineers and Loss Control Specialists will be allowed to manage the **Loss** to ensure service is performed in a cost-effective manner. **We** have the right to deploy alternative vendors and source equivalent parts to return the **Covered Equipment** to **Effective Operation** in accordance with paragraph 7. **We** agree that any alternative solution **We** propose will use parts and services that comply with the Original Equipment Manufacturer’s (OEM) specifications for the **Covered Equipment**.

- d. You have the option to reject **Our** proposed alternative solution. However, **Our** liability to reimburse for **Your Loss** will be limited to the cost of **Our** proposed solution. Any additional **Loss** costs in excess of **Our** proposed solution shall be solely **Your** responsibility.
- e. If **You** fail to comply with the terms of this paragraph 4, **We** reserve the right to limit **Your** reimbursement for **Corrective Maintenance Charges** or **Preventative Maintenance Charges** to the amount which **We** could have sourced on **Your** behalf.
- f. Utilization of **Our** dispatch service is not evidence or preapproval that **We** will pay for the Loss.

#### 5. Reporting Losses for Reimbursement

- a. You have the option to contact a service vendor directly for service. However, **You** must report the **Loss** to **Us** in compliance with all the terms and conditions of this **Agreement** in order to receive reimbursement for **Corrective Maintenance Charges** or **Preventative Maintenance Charges** incurred as part of a covered **Loss** under this **Agreement**.
- b. **You** must report the **Loss** to **Us** within ninety (90) days from the date of the **Loss** the "**Loss Notification Period**".
- c. **You** must provide satisfactory reporting of **Loss** to **Us** regarding the **Loss** to enable **Us** to determine if the **Corrective Maintenance Charges** or **Preventative Maintenance Charges** reported are within the scope of coverage defined in this **Agreement**.
- d. Satisfactory reporting of **Loss** includes, at a minimum, a description of the **Covered Equipment** involved, a legible copy of the vendor service report, and corresponding vendor invoice.
- e. **You** agree to cooperate and assist in the collection of additional information and documentation necessary to evaluate the facts surrounding any reported **Loss**.
- f. **We** will not be liable for any **Loss** in which there is a failure to comply with this paragraph 5.

#### 6. Replacement of Covered Property

- a. If a failed sub-assembly may necessitate the replacement of an entire system component (by way of example and not limitation, a failed circuit card necessitating the replacement of an entire console and monitor), **You** must report the **Loss** to **Our** Engineering Support Hotline at 877-275-7364 prior to authorizing the replacement of the entire system component.
- b. If **We** agree that replacement of **Covered Equipment** is more cost effective than repair, **You** may substitute equipment of a similar kind, age, model, and manufacturer. Written authorization must be obtained from **Us** prior to the replacement of any **Covered Equipment**.
- c. **We** will not be liable for any unauthorized replacement of **Covered Equipment**.

#### 7. Large Loss Notification

- a. If **Corrective Maintenance Charges** or **Preventative Maintenance Charges** may exceed \$7,500, the "**Large Loss Notification Limit**", **You** must report the **Loss** to **Our** Engineering Support Hotline at 877-275-7364 prior to authorizing or commencing any repair service.
- b. **You** agree that **Our** Engineers and Loss Control Specialists will be allowed to manage the **Loss** to ensure service is performed in a cost-effective manner. **We** have the right to deploy alternative vendors and source equivalent parts to return the **Covered Equipment** to **Effective Operation**. **We** agree that any alternative solution **We** propose will use parts and services that comply with the Original Equipment Manufacturer's (OEM) specifications for the **Covered Equipment**.
- c. **You** have the option to reject **Our** proposed alternative solution. However, **Our** liability to reimburse for **Your Loss** will be limited to the cost of **Our** proposed solution. Any additional **Loss** costs in excess of **Our** proposed solution shall be solely **Your** responsibility.
- d. **We** will not be liable for any **Loss** in which there is a failure to comply with this paragraph 7.

#### 8. In-House Repair Reimbursement

- a. **We** agree that members of **Your** staff may perform **Labor** to restore **Covered Equipment** to **Effective Operation** following a **Loss**.
- b. **You** agree that **Your** staff that performs **Labor** upon **Covered Equipment** will have the necessary skill, experience, training, and license(s) or manufacturer certification(s) required to perform the **Labor**.
- c. **We** agree to reimburse **Labor** performed by **Your** staff to return **Covered Equipment** to **Effective Operation** at the rate of \$75.00 per hour the "**In-House Repair Labor Reimbursement Rate**".
- d. **You** agree to comply with the terms of this **Agreement** and report any **Loss** involving **In-House Repair Reimbursement** in compliance with all the terms and conditions of this **Agreement**.

#### 9. Rental of Substitute Equipment

**We** agree to reimburse **You** for rental or loaner charges for substitute equipment of like kind, necessitated by a **Loss**, for no more than ten (10) days. The total reimbursement for rental or loaner charges plus **Corrective Maintenance Charges** and **Preventative Maintenance Charges** shall not exceed the **Actual Cash Value** of the **Covered Equipment** at the time of **Loss**.

#### 10. Preventive Maintenance

If **You** have purchased coverage for **Preventative Maintenance Charges**, as reflected on **Your Schedule of Covered Equipment**, **You** agree that preventative maintenance services will be performed in compliance with the Original Equipment Manufacturer's specifications for the **Covered Equipment** and at the frequency defined on **Your Schedule of Covered Equipment**. **We** are under no obligation to reimburse for more than the number of preventative maintenance events defined on **Your Schedule of Covered Equipment**. If **You** remove equipment from the **Schedule of Covered Equipment** or cancel this **Agreement**, **We** will only cover **Preventative Maintenance Charges** prorated over the period of time of the coverage. By way of example, but not limitation, if the **Covered Equipment** was scheduled to have four (4) preventative maintenance inspections per year and the **Covered Equipment** is removed from the **Agreement** after six (6) months, the number of prorated preventative maintenance inspections would be two (2) calculated as  $[(6/12) \times 4]$ . **You** will be responsible for any charges exceeding the prorated amount.

#### 11. Loss Settlement

**We** will not reimburse **You** for more than the **Actual Cash Value** of the **Covered Equipment** at the time of **Loss**. The **Loss** will be ascertained or estimated on the basis of **Actual Cash Value** of property similar in kind, age, model and manufacturer to the **Covered Equipment** at the place and time of the **Loss**.

#### 12. Prior Precipitating Condition

**We** will not cover any **Loss** that results from a **Precipitating Condition** that exists prior to the effective date of coverage for the **Covered Equipment** under this **Agreement**.

#### 13. Protective Safeguards and Physical Environment

**You** agree to maintain throughout the **Agreement Period** of this **Agreement** such protective safeguards as were in existence at the time of or installed subsequent to the first **Effective Date** of this **Agreement**. Upon discovery of a **Precipitating Condition**, which may give rise to a claim under this **Agreement**, **You** must take all reasonable steps within **Your** power to minimize the extent of **Loss**. **You** further agree to take due care to maintain a physical environment (levels of temperature, humidity, dust, etc.) in keeping with the Original Equipment Manufacturer's recommendations for the **Covered Equipment**.

#### 14. Alteration of Risk

**You** must provide **Us** notice in writing regarding any material change varying the facts or circumstances surrounding the **Covered Equipment**, such as the movement of **Covered Equipment** or nearby construction. **We** reserve the right to amend this **Agreement** if there is such alteration of risk. If you fail to notify **Us** of alteration of risk, which results in **Loss** under this **Agreement**, **We** reserve the right to deny **You** reimbursement for **Corrective Maintenance Charges** or **Preventative Maintenance Charges**.

#### 15. Our Options

**We** have the right to any salvage value, exchange credit or replaced hardware as a result of a **Loss** for which **We** have made payment.

#### 16. Changes to Schedule of Covered Equipment

- a. During the **Agreement Period**, **You** must request all changes to the **Schedule of Covered Equipment** to **Us** in writing. If **We** accept the requested change, the effective date of the change will be either the date **You** notify **Us** in writing or an agreed future date. **You** agree that any equipment **You** request to be added for coverage will be in good working order with no known **Precipitating Condition**.
- b. All changes to the **Schedule of Covered Equipment** acceptable to **Us** will be bound by a written modification to the **Agreement** issued by **Us**. **You** agree to pay any additional **Agreement Amount** **We** charge for the changes to the **Schedule of Covered Equipment**.
- c. **We** are not liable for any **Loss** or return of the **Agreement Amount** associated with unauthorized changes to the **Schedule of Covered Equipment** not agreed to by **Us** in accordance with this paragraph 16.

#### 17. Concealment or Fraud

At **Our** discretion, **We** may cancel or void this **Agreement** if **You**:

- a. Intentionally conceal or misrepresent any material fact or circumstance; or
- b. Engage in fraudulent conduct or false swearing relating to this **Agreement**.

#### 18. Warranties, Maintenance Contracts, Agreements

- a. This **Agreement** shall not apply to any **Loss** to any **Covered Equipment** to the extent that such **Loss** is covered under any other warranty, guarantee, maintenance contract, service contract, insurance contract or any third party agreement.
- b. The terms and conditions of any warranty, maintenance contract, service agreement, or any other contract or agreement that **You** enter into with any third party does not bind **Us** regarding any **Covered Equipment**, unless **We** consent to the agreement in writing.
- c. **We** make no warranty with respect to services or parts provided by vendors.

#### 19. Purchase of Goods and Services

Notwithstanding any other provision of this **Agreement**, **We** shall purchase, as **Your** agent and not on **Our** own behalf, all goods and services to be provided by outside vendors under this **Agreement** as may otherwise be subject to sales or other tax if purchased by **Us**. The title and benefit of all such goods and services shall pass directly from such vendors to **You**.

#### 20. Examination of Records, Inspections

**We** may examine and audit **Your** books and records that relate to this **Agreement** during the **Agreement Period** and for three years after the **Agreement Expiration Date**. **We** have the right to inspect **Your Covered Equipment** and the associated physical environment at any time during the **Agreement**. This inspection may be made by **Us** or may be made on **Our** behalf. **You** agree to submit to examination under oath in matters connected with the **Loss** as often as **We** reasonably request and give **Us** sworn statements of the answers, if necessary. If more than one person is examined, **We** have the right to examine and receive statements separately and not in the presence of others.

#### 21. Assignment

This **Agreement** may not be assigned without **Our** written approval.

#### 22. Cancellation

- a. **You** may cancel this **Agreement** by providing thirty (30) days written notice to **Us** and payment for the amount applicable for the time period that the **Agreement** was in effect.
- b. **We** may cancel this **Agreement** by written notice sent to **You** at **Your** last mailing address known to **Us**. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.
- c. If **We** cancel this **Agreement** for any reason other than nonpayment of fees, **We** will give **You** written notice at least thirty (30) days in advance of cancellation. The notice will state the time that the cancellation is to take effect. If **We** cancel this **Agreement** for nonpayment of fees, cancellation shall be effective on the date that prior paid fees are fully earned by **Us**.
- d. **We** will calculate **Your** return fees, if any, and refund **You** with the cancellation notice or within a reasonable period of time.

#### 23. Appraisal

If **You** and **We** do not agree on the amount of the **Loss**, the **Actual Cash Value** of the **Covered Equipment** or the cost to repair or replace the **Covered Equipment** either party may demand that these amounts be determined by appraisal.

If either party makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within twenty (20) days after the receipt of the written demand. The two appraisers will select a competent, impartial umpire within fifteen (15) days, if they cannot agree on an umpire, **You** or **We** may ask a judge of a court in the state where the appraisal is pending to select an umpire.

The appraisers will determine:

- a. the amount of the **Loss**;
- b. the **Actual Cash Value** of the **Covered Equipment**; and
- c. the cost to repair or replace the **Covered Equipment**.

Each amount will be stated separately.

If the appraisers submit a written report of the appraisal to **Us**, the written appraisal will establish the aforementioned amounts. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. A written appraisal by any two of these three will establish the amounts stated above. Each appraiser will be paid by the party selecting that appraiser. The compensation of the umpire and any other expenses of the appraisal will be shared equally by **You** and **Us**.

#### 24. Disputes

No suit to recover for a **Loss** may be brought against **Us** unless:

- a. all of the terms of this **Agreement** have been complied with; and
- b. the suit is commenced within one year after the date of **Loss**.

#### 25. Limitation of Liability and Warranties

- a. **Liability Limitation** - In no event shall **We** be liable for any incidental, special, statutory, indirect or consequential damages, including, but not limited to, lost profits, revenue, or down time delay, market loss, loss of use or, business interruption. **Our** liability for any damage arising from a cause of action in contract, tort or otherwise shall be limited to the **Prorated Fee** **You** have paid to **Us** during the preceding 12 months.
- b. **Warranty** - **We** warrant to **You** that the **Services** provided under this **Agreement** shall be performed in a professional manner by qualified personnel. If the **Services** have not been so performed and **We** receive from **You** within thirty (30) days of the occurrence a written report detailing the basis of the non-conformance and agree with **You**, **We** shall re-perform those **Services**. This remedy is **Your** sole and exclusive remedy and is in lieu of any other rights or remedies **You** may have against **Us** with respect to non-conformance of the **Services**.

**EXCEPT AS PROVIDED IN THIS PARAGRAPH 25, WE MAKE NO OTHER WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT AND ALL SUCH WARRANTIES ARE SPECIFICALLY DISCLAIMED.**

#### 26. Late Charges

Payments not received when due may be subject to a late payment charge of one and one-half percent (1.5%) per month, or the highest percentage permitted by law. Interest shall accrue commencing on the date of **Our** delinquency notice to **You**.

#### 27. Offset

**We** may offset any amount owed to **Us** against any pending or future **Loss** reimbursement payments.

#### 28. Renewals

**We** reserve the right to change coverage benefits and **Annual Agreement Amount** upon renewal, provided **We** send written notice to **You** of such changes prior to renewal. **We** reserve the right to non-renew this **Agreement** provided **We** give **You** thirty (30) days written notice prior to the renewal date.

#### 29. Entire Agreement/Severability

This **Agreement** contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all other prior agreements. No alteration, waiver, or modification of this **Agreement** will be valid unless made in writing and signed by an authorized representative of each Party. In case of a conflict between the terms and conditions of this **Agreement** and the terms and conditions of a purchase order or **Your** awarded contract, the terms of this **Agreement** will govern. If **You** place an order against a master agreement **We** have with **You**, the terms of that master agreement shall govern, where appropriate.

If any provision of this **Agreement** shall be rendered illegal or unenforceable by the laws of any state, such provision shall be considered void in such state, but this shall not affect the validity or enforceability of any other provision of this **Agreement** or the enforceability of such provision in any other jurisdiction.

#### 30. Contractual Liability/Service Contract Reimbursement Insurance

Obligations under this **Agreement** are fully insured under a Service Contract Reimbursement Insurance Policy issued by CNA Warranty Services, Inc. which may be contacted at 333 S Wabash Ave, Chicago, IL 60604. If covered **Losses** under this **Agreement** are not paid within sixty (60) days from making satisfactory Notice of Loss, then **You** may apply for reimbursement directly to CNA Warranty Services, Inc. by contacting their Offices at 1-866-298-3372. **We** retain the sole and absolute right to change, without notice, the insurance company providing service contract reimbursement insurance under this **Agreement** to another insurance company with an A- rating or better in the current Best's Insurance Reports published by A.M. Best Company.

#### E. EXCLUDED CAUSES OF LOSS

**We** will not reimburse **You** for those **Corrective Maintenance Charges** caused directly or indirectly by any of the following regardless of any other cause or event that contributes concurrently or in any sequence to the **Loss**:

1. Any cause of **Loss** customarily covered under the following commercial insurance forms: Boiler & Machinery; Automobile; Crime; Electronics Data Processing; Business Interruption or Time Element; Fire & Extended Coverage; or Named Peril, Special or All Risk Property;
2. Flood, sewer or drain back-up or earth movement, including earthquake, landslide, mudflow, and earth sinking, rising or shifting, unusual atmospheric conditions, power surges, power outages or acts of God;
3. Insect or vermin damage;
4. Obsolescence of **Covered Equipment**; including equipment that can no longer be returned to Effective Operation because of technology changes or the unavailability of parts or manufacturers support;
5. War, including undeclared war, civil war, insurrection, rebellion, revolution, terrorism, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear, biological, or chemical weapon(s) will be deemed a warlike act even if accidental;
6. Radioactive Contamination, meaning: Ionizing radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
7. Vandalism, defacement, malicious mischief, abuse, misuse, or theft;
8. Willful, fraudulent or dishonest act or omission by **You**;
9. Ordinances, regulations, laws, court actions, or accreditation testing;
10. Software or software virus; or
11. Vendor, Contractor, or In-House Maintenance or Operator error, faulty workmanship, improper installation, improper maintenance, negligence or fraud.

#### F. EXCLUDED COSTS

Unless the coverages defined below are specifically purchased by **You**, which will be identified on **Your Schedule of Covered Equipment**, **We** will not pay any cost associated with:

1. Emergency service fees or special service assessments beyond normal labor and travel expenses;
2. Repair or replacement of operating supplies, consumables, disposables, expendables, accessory items, certifications or **Preventative Maintenance Charges**;
3. Expenses incurred when no problem is found with the **Covered Equipment**;
4. Improvements, updates, upgrades, cosmetic restorations (including, but not limited to scratches, dents, and broken or cracked parts), preferential equipment adjustments, retrofits, overhauls, refurbishment, or correcting conditions of obsolescence and all costs of repairing or replacing parts when the discovery of deficiencies occurs as a result or in conjunction with any of these;
5. Expenses incurred for functions and services normally performed by the equipment operator and recommended user maintenance (including, but not limited to clearing paper jams, toner installation, etc.);
6. Expenses or fees associated with the re-stocking of unused parts;
7. Maintaining or repairing **Covered Equipment** mounting hardware, supports, fixtures, or furniture;
8. Building wiring and cabling;
9. In-house employee labor on high voltage equipment;
10. Physical plant equipment, gas powered motorized equipment, or equipment which is not electrical or electronic in nature unless identified as **Covered Equipment**;
11. Production print/press equipment;
12. Vehicles, tractors, heavy equipment;
13. Repair or replacement of color supplies, copier drums, equalization, repair, or replacement of batteries;
14. Calibrations, including tuning;
15. Repairs and expenses associated with de-installation, movement, or installation of **Covered Equipment**.

This **Agreement** will be accepted and incorporated upon **Your** signature as authorization to bind coverage.

