



# ALLIANT PROPERTY INSURANCE PROGRAM (APIP) OVERVIEW

▶▶ For SCORE Board Members  
October 28, 2022

 **Alliant**



# DISCLAIMER

This is only a summary of the coverage!

Every claim is unique and  
subject to the terms of the policy.



**Alliant**

# ALLIANT PROPERTY INSURANCE PROGRAM (“APIP”)

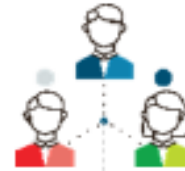


- “Joint Purchase Program” concept:
  - Marketplace Clout / Leverage
  - *No risk sharing*
- Established in 1993:
  - 65 participants
- Now the single largest property placement in the world:
  - \$591 Billion in TIV, across 9,900+ participants in 44 States

# APIP Fun Facts 20/21 Renewal



**Up to \$1,000,000,000**  
Loss Limit (per occurrence)



**822** Primary Members    **9,949** Members (incl. pool sub-members)



**591,559,919,963**  
Total Insured Value (TIV)



**Lexington Ins. Co. & Lloyd's**  
Lead Carriers



**44**  
Active States



**97.18%**  
2020 Member Retention Rate



**37**  
Declarations/Towers



Schools Insurance Property Program (SIPP), SPIP, Public Utilities, Ports & Airports, APIP, Public Entity Property Insurance Program, Hospital All Risk Property Program, Tribal First

# SPREAD OF RISK – “DEC” Concept



## Spread of Risk Maximized

↓	↓	↓	↓	↓	↓	↓	↓
Cities	Hospitals	Counties	Schools	Cities 2	Hospitals 2	Counties 2	Schools 2
ABC City, Southern California	123 Hospital, Southern California	X County, Ohio	Your School, Texas	MNO City, Northern California	101112 Hospital, Alaska	# 1 County Pool, Texas	#1 School JPA, Wyoming
DEF City, Montana	456 Hospital, Nevada	Y County, Idaho	My School, Iowa	DEF City, Montana	131415 Hospital, Iowa		#3 School JPA, New Mexico
GHI City, Kansas	789 Hospital, Texas	Z County, Oregon	Our School, Alaska	GHI City, Kansas			
JKL City, Maine				JLK City, Iowa			

# APIP FEATURES

- Customized coverage form
- Replacement Cost
- Boiler & Machinery
- Business Interruption
- Course of Construction
- No mid-term transactions for changes in values < \$25mm
- Cyber Coverage
- Pollution Coverage



# Coverage Limits

- \$500 Million Total for All Dec 4 Cities
- Not Covered – Flood & Earthquake
- \$100M Business Interruption, Rental Income and Tuition Income *or sublimit of \$500K if not reported on SOV*
- \$50M Extra Expense
- \$10M Misc. Unnamed Locations
- 180 Days Extended Period of Indemnity
  - Following Bus. Interruption, etc.

# Coverage Limits

- \$25M Automatic Acquisition
  - For 120 days
  - Licensed vehicles - \$10M limit
- \$1M *Unscheduled* landscaping, athletic fields
  - \$5M or 110% of *scheduled* values
  - \$25K or 25 gallon max per item
- \$50M Errors & Omissions
- \$25M Course of Construction
  - Projects valued greater than \$15M require underwriting approval and a premium charge



# Coverage Limits

- \$500K Money & Securities – *named perils only*
- \$2.5M Unscheduled Fine Arts
- \$250K Accidental Contamination
- \$750K *Unscheduled* tunnels, bridges, roads, sidewalks, traffic signals, street lights
- \$50M Increased Cost of Construction due to building codes/ordinance or law
- \$25M Transit
- \$2.5M Unscheduled Watercraft up to 27 feet

# Coverage Limits



- \$25M *Off Premises Services* Interruption
- \$5M/\$10M Aggregate Limit
  - Earthquake Shock or Flood on Licensed Vehicles, Unlicensed Vehicles, Contractor's Equipment and Fine Arts combined for all Named Insured(s) in this Declaration that do not purchase optional coverage
- \$3M *Contingent* Business Interruption, Extra Expense, and Rental Values
- \$3M Tax Revenue Interruption *or sublimit of \$1M if not reported on SOV*

# Coverage Limits

- \$500K Jewelry, Furs, Precious Metals & Stones
- \$1M Claims Preparation Expenses
- \$50M Expediting Expenses
- \$1M Personal Property Outside USA
- Not Covered – Upgrade to Green
- Not Covered - Communicable Disease
- \$100K While in storage and in transit
  - \$10K Ded for “drones” – not covered in flight
- \$100K/\$1M Agg. for Mold/Fungus damage

# Loss Payment Basis/Valuation



- Repair or Replacement Cost
- Actual Loss Sustained -Time Element Coverages
  - Business and Tax Interruption
  - Rental and Tuition Income
  - Extra Expense
- Vehicles & Contractor's Equipment – either Replacement Cost or Actual Cash Value *as declared by each member*. If not declared valuation defaults to ACV.

# Exclusions

- Seepage & Contamination - *unless otherwise provided by the Pollution Liability Coverage*
- Cost of Clean-up for Pollution - *unless otherwise provided by the Pollution Liability Coverage*
- Mold - *as more fully described in the Master Policy Wording or otherwise provided when Pollution Liability Coverage is purchased, and as defined in the coverage Summary.*

# Property NOT Covered

1. **Aircraft, Watercraft over 27 feet in length** (other than watercraft held for sale by the insured), and rolling stock, except scheduled watercraft, and rolling stock, light rail vehicles, subway trains and related track maintenance vehicles for light rail and subway lines.
2. **Standing timber, growing crops, water, except water which is normally contained within any type of tank, piping system or other process equipment.**
3. **Land** (including land on which covered property is located), and **land values** (except athletic fields, landscaping, artificial turf, sand traps, tees and greens).
4. Property in due course of ocean marine transit.
5. Shipment by mail after delivery into the custody of the United States Post Office.
6. **Power transmission lines and feeder lines more than 1,000 feet from the premises** of the Insured *unless scheduled and specifically approved by the Company*.
7. **Underground pipes more than 1,000 feet from the premises** of the Insured *unless scheduled and specifically approved by the Company*.
8. Offshore property, oilrigs, underground mines, caverns, or underground storage facilities and their contents. Railroad track is excluded unless values have been reported by the Named Insured.

# Deductibles

- \$25K “All Risk” (except where more specific deductible applies)
- \$500K *Unscheduled* ... Roadways, Highways, Streets, Sidewalks, Culverts, Street Lights and Traffic Signals unless a value has been declared
- \$10K/\$100K max per occ. per Vehicle or Item for Licensed Vehicles, Unlicensed Vehicles and Contractor’s Equipment *for Earthquake or Flood*
- \$50K Fine arts – Earthquake or Flood
- 24 Hour Waiting Period for Service Int.
- 2.5% of Annual Tax Revenue per Location for Tax Int.

# Deductibles

- \$10K Off-Premises Vehicle Physical Damage for members with ACV (Biggs, Dunsmuir, Isleton, Loomis, Montague, Rio Dell, Weed, Yreka) and \$25,000 for all other members with RCV, Except \$50,000 for police vehicles with RCV under \$250,000, \$100,000 for All Vehicles with RCV of \$250,000 to \$750,000; \$250,000 for All vehicles with RCV in Excess of \$750,000

(“Road” Coverage v. “Yard” Coverage)

If Off-Premises coverage is included/purchased, the stated deductible will apply to vehicle physical damage both on and off-premises on a Per Occurrence basis, unless otherwise stated. If Off-Premises coverage is not included, On-Premises/In-Yard coverage is subject to the All Risk (Basic) deductible.

- \$ 10,000 except \$5,000 for the City of Isleton Per Occurrence for Contractor's Equipment.



# APIP “Bolt-Ons”

- Terrorism
  - \$100M Limit “Primary” Layer
    - \$25K Deductible
    - \$200M Annual Aggregate
  - \$600M Limit “Excess” Layer
    - \$500K Deductible
    - \$1.1B Annual Aggregate

# APIP “Bolt-Ons”

- Pollution
  - \$2M JPA Limit & Aggregate
  - \$100k Limit – Disinfection Event Expenses Per Pollution Incident Sublimit (\$100k Aggregate)
  - \$250K Limit – Image Restoration Expense Per Pollution Incident Sublimit (\$100k Aggregate)
  - \$250K – Deductible Each Pollution Incident After July 1, 2021
  - \$500K – Deductible Each Pollution Incident Prior to July 1, 2021
  - Exclusions Include: Sewage Backup, Landfills, and Lead Contaminated Water
- Claims Made – Report Claims ASAP!

# APIP “Bolt-Ons”

- Cyber
  - \$2M Limit Most Coverages with \$45M Aggregate
    - Cyber Extortion
    - Data Recovery
  - \$500k (or \$1M if Beazley Nominated Services Providers are used) - Privacy Notification Costs
  - \$75K Limit - Fraudulent Instruction, Telecommunications Fraud, Reputation Loss
  - \$75K Limit for Computer Hardware
  - \$50K Deductible
- Claims Made Coverage – Report Claims ASAP!

# Boiler and Machinery Coverage



- \$100M Boiler Explosion and Machinery Breakdown – Combined Property Damage and Business Interruption/Extra Expense
  - *Includes Jurisdictional and Inspections*
- \$10M Service/Utility/Off Premises Power Int.
  - Incl. Consequential Damage/Perishable/Spoilage
- \$10M EDP Media and Data Restoration
- \$10M Hazardous Substances/Pollutants/Decon.
- \$25M Newly acquired values

# Boiler & Machinery Exclusions



- Testing
- Explosion, except for steam or centrifugal explosion
- Explosion of gas or unconsumed fuel from furnace of the boiler

## Objects Excluded

- Insulating or refractory material
- Buried Vessels or Piping

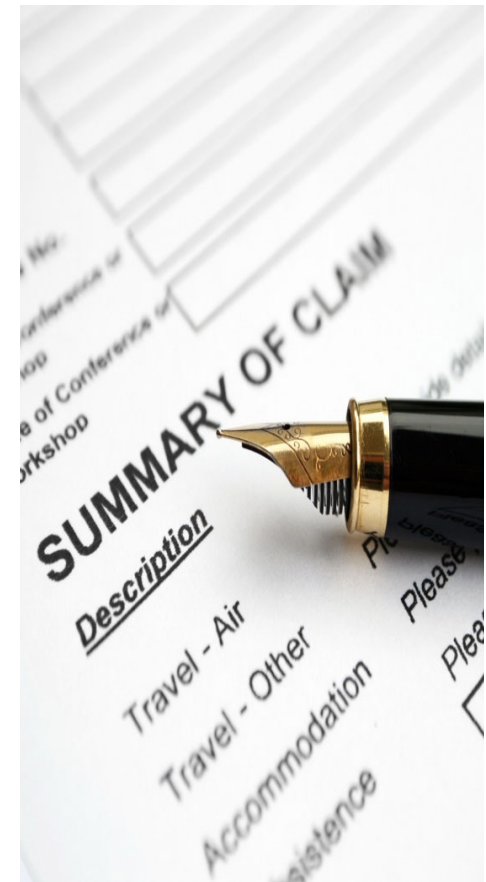
# Boiler & Machinery Deductibles



- \$10K Objects over 200 hp, 1,000 KW/KVA/Amps or Boilers over 5K square feet of heating surface.  
\$50K Objects over 350 hp, 2,500 KW/KVA/Amps or Boilers over 10K square feet of heating surface.
- 10 per foot / \$2,500 Deep Water Wells
- 24 Hours – Business Interruption/Extra Expense  
Except as noted below
- 30 Days – Business Interruption - Revenue Bond
- 24 Hour Waiting Period – Utility Interruption
- 5 x 100% of Daily Value – Business interruption -  
All Objects at Waste Water Treatment Facilities and  
All Utilities

# APIP CLAIMS HANDLING

- Single Third Party Claims  
Administrator: **McLarens Young International**
  - Noteworthy experience adjusting property losses
  - Your Broker Team Closely involved together with Robert Frey, Alliant Client Claims Advocate
- *See Claims Reporting Instructions in your handout!*



Questions?

Thank you!

Alliant