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NEW ENGLAND INSURANCE SERVICES, INC.

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**MUSEUM INSURANCE PROGRAM**

*Thank you for your interest in our specialty insurance programs. The following items should be considered when purchasing insurance specific to your exposure. We hope this insurance protection synopsis is helpful. We will be more than happy to assist you in the insurance application process. As always, you are welcome to call us at any time with your questions or concerns.*

***I. Property and Contingent Insurance:***

Historic Sites, Buildings or Improvements & Betterments: There are wide varieties of types of museums. Some museums are housed in modern buildings, others in our nation's historic sites, and there are still others on boats or in manufacturing plants. Each specific museum setting serves to magnify its purpose. Museums are created to highlight art, technology, history, science, nature, sports, children's interests, biography, industry or religion. The design, construction and maintenance of museum buildings can make them more vulnerable to damage, especially by fire, and more expensive to repair after damage has occurred. Prevention is the best cure; insurance coverage can offer financial protection and may provide compensation in certain instances for necessary repairs or replacement.

There is an extensive range of insurance policies which can be considered appropriate so it is necessary to take a holistic view and seek advice from professionals and insurers with specific knowledge of museum properties. One must concentrate on the subject of property insurance, which provides coverage for the effects of physical damage upon the structure, fabric, fixtures and external features of a building. In addition, other forms of insurance may also be needed to ensure that all the various interests and liabilities are protected, including:

Contents and Fine Arts: This coverage applies to items not permanently affixed to the building including furnishings, works of art, collections and artifacts. Appraisals and assessments of certain items are helpful and sometime required. A full inventory with record photographs should be kept in a fire-proof repository.

Equipment: Extension of coverage to protect against damage or loss of mechanical boilers, ventilation systems and other heating and air-conditioning equipment. Insurance of this type requires regular inspections and testing.

Consequential Loss: Business interruption or loss of profit insurance provides cover for loss of revenue from visitors or rent and other consequential financial loss such as temporary relocation, removal and storage costs.

Other Protection Available: Gardens and Ornaments, Flood, Earthquake, Crime Bonds/Employee Dishonesty

## ***II. Public or Third Party Insurance:***

Commercial General Liability policies provide protection for claims arising out of an incident which results in bodily injury, property damage and personal/advertising injury as a result of your business activities. Coverage extends to insure employees and volunteers for their actions that may cause injury or damage to others while they are acting within the scope of their duties. Employee Benefit Liability coverage can be added and would cover claims against the organization for errors or omissions in the administration of employee benefit plans.

## ***III. Automobile Protection:***

Protection is provided for claims resulting in bodily injury and property damage arising from the use of any covered auto. Even if you do not own or lease any vehicles, the business is liable for accidents that occur when employees or volunteers use their own cars while driving on behalf of the organization. Vehicles registered to the business require a completed application. Liability coverage involving hired vehicles and employee owned vehicles is charged at a separate premium and may be purchased regardless of whether or not the organization owns or leases any vehicles.

## ***IV. Accident Medical Protection:***

This policy may be purchased to cover injuries of the volunteer worker who may not be eligible under the statutory Workers Compensation coverage as there is no remuneration for services they perform.

## ***V. Workers' Compensation & Employer's Liability:***

State Law requires that you provide protection for all salaried and contracted employees who become injured or ill as a result of their employment with you. Policy benefits include payments for all medical bills, reimbursement for lost wages, and temporary and long-term total disability established by state statute, and death benefits. Premium is based on the "estimated projected" annual gross payroll for the policy year.

## ***VI. Employment Practices Liability:***

Lawsuits against employers by their employees are on the rise. Discrimination, harassment, hostile work environment, failure to promote, wrongful termination and ADA violations are just a few of the issues organizations may face. These types of claims can not be covered under any other policy and must be purchased under a separate policy.

## ***VII. Umbrella Liability:***

This policy is purchased to extend the limits of liability of all your "Primary" Liability Policies: General Liability, Automobile Liability and Employer's Liability by providing higher limits if it is ever needed in the event that the limits of the primary policies are expended by large payments resulting from lawsuit damages. The policy limits start at \$1,000,000 and can be increased in increments of one million.

## ***VIII. Directors' and Officers' Liability:***

This policy is designed for either the non-profit organization or for private business. This policy will extend protection to the individual directors and officers, the employees of the organization and the entity itself. It relates to "wrongful acts" which might include actual or alleged errors, omissions, misleading statements, and neglect or breach of duty on the part of the board of directors. Litigation can last several years, becoming a financial burden and a continuous drain on an organization. This financial burden can become the personal responsibility of the organization's directors, officers or employees. Employment Practices Liability (see above) can often be built into this policy. As no two policies are similar, a complete review of these policies is necessary.



It is of utmost importance to have permanent records of your buildings and premises to aid reinstatement of property, of which at least one copy should be held off the premises. The records should include a set of photographs. Ideally drawn cross-sections and elevations should be included. With particularly fine buildings, justification should be found to commission a rectified photographic survey if appropriate.

Owners of museum properties should take all reasonable measures to prevent and limit loss or damage to their buildings and grounds. They should ensure that adequate insurance cover is provided and that valuations and building records are updated as necessary.

In the event of a claim, it is imperative that professional advice be sought from a specialist. It is essential that the correct measures are taken to preserve and conserve the historic, architectural and archaeological interest of the buildings.

We understand how to design a flexible and comprehensive insurance program for your properties. Our mission is to protect the irreplaceable. We work with insurance carriers that promise to reproduce and restore the features to original detail, including the extra costs resulting from required compliance with an ordinance. We are attentive, knowledgeable and quick to respond.