



LEAN Tech Academy  
3707 North Market Street  
Wilmington, DE 19801

Dear Patsy Pipkin-Perry,

Per our conversation on December 12th, I look forward to the opportunity in working with you and the other administration officials in providing the insurance that you will be required to carry for your new charter school.

As we discussed, from strictly a budgetary standpoint, the premium that I would use are as follows by coverage:

1. Property Coverage to include Contents in the Building and Extra Expense with an estimate of \$50,000 for Contents and \$250,000 of Extra Expense. Premium would be approximately \$750. Please keep in mind this premium would increase depending the type of lease that you sign and other property insurance that you may need to provide as required by the lease, such as Fire Legal Liability or coverage for the Building.
2. Crime Coverage for \$100,000 of Employee Dishonesty, \$100,000 Theft of Money & Securities inside and outside the premises, \$100,000 Forgery and Alteration, and \$100,000 Computer Fraud. Premium would be approximately \$500.
3. Coverage for \$100,000 in Electronic Data Equipment, \$50,000 of Software and \$10,000 of Extra Expense. Premium would be approximately \$750.
4. \$1,000,000 Limit of Liability for Hired and Non-Owned Auto Liability coverage. Premium would be approximately \$200.
5. \$1,000,000 Limit of Liability for General Liability based on 150 students and a teaching staff of 17 to include coverage for Corporal Punishment, Sexual Abuse and Molestation, and School District Educator's legal Liability. Premium would be approximately \$4,000.
6. Workers Compensation employers liability for payroll about \$900,000 would be a premium of approximately \$250.
7. I would also recommend that you have at least a \$1,000,000 Umbrella Liability Policy or, if possible, a \$2,000,000 Policy which would provide coverage excess of the Auto Liability, General Liability to include the other coverage noted and the Employers Liability afforded by Part B of the Workers Compensation. The estimated premium would be \$850 for \$1,000,000 of coverage and \$1,700 for \$2,000,000.

In total, I would suggest you use \$7,500, but additional coverage may be needed depending on the building lease requirements and/or the final version of the Charter School Agreement as approved by the Public School System.

Please note that this is an estimate only and based on the information that you and I discussed and quite probably will change depending on the coverage required and the bases for determining the premium.

If you should have any questions, please give me a call.

Regards,

  
Mark W. Boole  
Sales Manager