



Pro-Tec Tool & Equipment Insurance Policy

- Repairs made to vehicles that are brought to Service King are made by Technicians and Mechanics using their personal tools. These teammates store all the tools needed to repair vehicles in the shops they work at. The storage of these tools is necessary as most of these teammates tools/toolboxes weigh hundreds of pounds. Transporting these tools in and out of the shop daily not is not an option.
- Teammates spend thousands of dollars on their tools/tool systems. Which unfortunately, makes them a target for thieves during a burglary. Service King has increasingly experienced this over the last few years. The loss of these tools is a huge burden on the teammate and Service King, leaving the teammate unable to perform his job, and in turn Service King behind on repairs to vehicle.
- Service King presently does not provide our technicians with an option to insure their tools. Coverage for a tool loss is provided for in our Property Policy. The coverage that is provided by the Property policy is subject to the deductible amount of \$10,000.
- The need for a solution to this coverage deficit has prompted us to research options for a policy that would provide coverage of tools. CPM Insurance Services is a Equipment Coverage company that is underwritten by Great American Insurance Company an A+ rated company by superior AM Best.

- CPM Insurance Services has proposed an agreement to offer our employees \$100.00 off the standard premium and provide 3 coverage limit and deductible amount options.
 - Option 1-\$50,000 Catastrophe limit, \$250 Deductible, \$400 Annual Premium
 - Option 2-\$30,000 Catastrophe limit, \$250 Deductible, \$300 Annual Premium
 - Option 3-\$20,000 Catastrophe limit, \$250 Deductible, \$200 Annual Premium

- Implementation consists of accepting the proposal,
- Communication of implementation
 - Via the Mercer Platform, as a discount program for Service King employees. Discount Program would be available to teammates for year-round enrollment.
 - Open enrollment video.
- Application and Policy Issuance Procedures
 - No payroll deduction at this time
 - Teammate would complete the paper application or apply online by accessing the Mercer Platform. Platform would include a link that would redirect teammates to the Protec electronic application . Payment would be made directly to CPM Insurance Services via check or credit card. Spanish options of electronic application are also available via the link.
 - Once application and payment are received and processed by CPM Insurance Services a Certificate of Coverage will be issued and sent directly to the employee.



FAQs

Do I have to provide an inventory list for the items I want covered?

NO - Pro-TEC provides blanket coverage for unscheduled tools and equipment.

What do I need to do to verify I owned the tools and equipment if I have a claim?

Pro-TEC would like you to do your best to keep an on hand inventory of all the tools and equipment you've obtained or acquired over the years. Any records, including receipts, pictures, video or a diskette would prove very beneficial in matters dealing with your claims settlement in the event of a covered loss.

Where is coverage available?

Pro-TEC provides coverage for the entire USA & CANADA

Do you have a brochure that you can send me on the program?

YES - Pro-TEC can send or e-mail you a combination application & marketing piece for your review.

Can I get a copy of a sample policy prior to buying Pro-Tec?

YES - Pro-TEC can send or e-mail you a complete sample packet of coverage forms that is issued with the policy summary of coverage.

Does a loss have to occur at my place of employment?

NO - Pro-TEC covers losses in transit and off the premises you work at as well. That is why it is called a tool & equipment "FLOATER".

Does the policy provide replacement cost coverage?

YES - The Pro-TEC policy contains a replacement cost provision for tools and equipment that are newer than ten years old otherwise claims will be settled on an Actual Cash Value basis which possibly takes depreciation into consideration.

Does the policy provide coverage for mechanical breakdown or wear and tear?

NO - The Pro-TEC policy excludes coverage for those types of losses which are usually covered under a warranty agreement.

Does the policy cover mysterious disappearance?

NO - There needs to be some evidence of theft in the form of a break-in where the police are involved.

What will the annual premium be on renewal since I paid the \$500.00 premium this year?

Pro-TEC will keep the renewal percentage rate the same until further notice.

- Contact Pro-Tec Tool Insurance 1-800-344-3501

