



## AFM Equipment Insurance Policy Highlights & FAQs

### Coverage Highlights:

- Coverage designed to cover musical equipment and music related computer equipment for members of American Federation of Musicians.
- **Minimum Premium: \$75.00**
- **Low Deductible: \$100**
- Protection against depreciation. Coverage at replacement cost up to the scheduled amount, or if replacing with new equipment, up to an additional 10% above the scheduled amount.\*
- Processing of or work upon including repairs or restoration.
- Automatic coverage for up to 45 days for newly acquired property (of a type already covered by this policy).
- Rented or Borrowed equipment coverage up to 30 days without scheduling the item.
- Covers theft/vandalism of your scheduled instruments and equipment.
- Covers equipment at your primary residence as well as off primary premises and while in transit.
- Covers your equipment while you are traveling anywhere in the United States and temporary locations outside the United States (as long as primary residence is within the United States).
- **Up to \$10,000** in extra expense coverage to keep your business running when **computer equipment** is lost or damaged.

### Computer coverage exclusions:

- Property/inventory held for sale.
- Accounts receivable records, valuable papers/records or data, or data on media.
- Property leased, loaned or rented to others while away from your premises.
- Electrical or magnetic injury or erasure of electronic recordings or equipment. (This exclusion does not apply to loss caused by lightning)
- Errors in programs or programming. (Exclusion does not apply to loss caused by viruses, hacking, worms, logic bombs, Trojan horses or other malicious data).
- Faulty workmanship
- Error in design
- Insects, vermin, moths, rodents or worms.
- Shipments by mail or while in transit as checked luggage.

### General Policy Exclusions - loss arising from:

- Governmental Action
- Nuclear Hazard
- War/Military Action
  - Includes undeclared civil war
  - Insurrection, rebellion, revolution, usurped power
- Mysterious/unexplained disappearance
- Intentional acts
- Dishonest/criminal or omission
- Wear and Tear
- Gradual deterioration, rust, corrosion, marring or scarring or other effects of normal use.
- Inherent vice (not properly taking care of the property).
- Rodents, pest, insects or vermin.

## Frequently Asked Questions

**Q: What can be insured?**

**A:** Musical instruments and musical equipment. Computers and related equipment can be insured under this policy as long as they are used for business purposes.

**Q: Does all of my equipment have to be insured?**

**A:** No, you may select which equipment to insure.

**Q: Is there a deductible?**

**A:** Yes, \$100 per claim.

**Q: What if new equipment is purchased?**

**A:** If your newly acquired equipment is less than 25% of your policy limit, you will receive automatic coverage for up to 30 days from the date of purchase. You have 30 days to notify Mercer of the newly acquired equipment and you will need to pay for any additional premium to add the item. If your newly acquired equipment exceeds 25% of your policy limit, you will need to notify Mercer immediately to add the equipment to your policy.

**Q: What is 'Special Risk' insurance?**

**A:** Special Risk means that there are a limited number of exclusions to the policy and if a peril is not listed in the exclusions, the policy should provide coverage.

**Q: Are scheduled instruments covered if left either on stage or in a hotel room during a gig?**

**A:** Yes, the coverage is not location specific.

**Q: If there is a covered claim for an item that must be replaced, is the replacement value of the instrument paid?**

**A:** Yes, replacement value will be paid if the insured amount for the item is equal to or greater than the replacement value. Plus, if you purchase new equipment, up to an additional 10% of the replacement value may be paid.\* This is a key feature because instrument values may have appreciated since last appraised. Further, we recommend reviewing your equipment schedule annually to make sure that your equipment is insured at the most current, appropriate values.

**Q: Is there coverage if an instrument is loaned to someone else?**

**A:** Yes, the policy should provide coverage, however, to best protect yourself, it is highly encouraged to see if the person you are lending to add the item to their policy and add you as a loss payee for that item.

**Q: Is there coverage for instruments I am borrowing?**

**A:** If you borrow someone's instrument and lose or damage it, the policy covers the cost to repair or replace it.

**Q: Can office equipment be insured?**

**A:** Office equipment is not designed to be covered under this policy. If you're looking to insure an office space, a business owner's policy may be a better fit.

*\*additional premium is required to cover the excess value of the new equipment.*

*This brochure is not a contract of insurance but is a brief summary of the principal provisions of insurance contained within the policy. This coverage is underwritten by New Hampshire Insurance Company, Granite State Insurance Company, Illinois National Insurance Company; member companies of American International Group.*

**Program Administrator:**



Mercer Consumer, a service of  
Mercer Health & Benefits Administration LLC  
P.O. BOX 14575  
Des Moines, IA 50306-3575  
**Phone:** 1-800-503-9227

AR Insurance License #100102691  
CA Insurance License #0G39709  
In CA dba Mercer Health & Benefits Insurance Services LLC

**Note:** This plan is available only to U.S. AFM members; membership enrollment is available at [www.afm.org](http://www.afm.org).