



5533 W. 109th St. Unit 101
Oak Lawn, IL 60453-5046
U.S.A. (800) 875-DJRN
Chicago (773) 399-5050
Suburbs (708) 229-9800
Suburbs (847) 506-9300

D I S C J O C K E Y R E F E R R A L N E T W O R K , I N C .

DJNET^(R) Property Loss Fund

Purpose Of The Fund:

The DJNET^(R) Property Loss Fund is a cooperative means of protecting property assets of fund members by pooling contributions into a common cash reserve for use by fund members who suffer property losses. Circumstances for which property is protected includes accidental damage, fire, theft, and vandalism.

Eligibility:

Only DJRN members or affiliated members that participate in DJRN group GL insurance are eligible for participation in the DJNET^(R) Property Loss Fund. If membership or GL insurance is not renewed, a notice of cancellation will be sent with no less than 30 days notice of cancellation. After 60 days of non-renewal participation will cease and a prorated refund of contributions will be paid.

Book/Market Value Replacement

Participants provide a list of software and qualified mobile DJ equipment including any serial numbers, date of acquisition, cost of acquisition, **current market value** and storage location.

Any claim of loss will be settled by a payment to either an equipment or software dealer chosen by mutual consent or directly to the participant. Payments to a dealer are limited in amount by the scheduled market value selected by the participant. Replacement items will match as closely as possible the original property. *Software may be listed in bulk at market value replacement cost but compilation and specialty collections must be identified.* Any cash value payment to the participant will be modified by a depreciation method depending on the type of property or limited to the estimated market value of property scheduled by the participant.

Conditions For Coverage:

Equipment qualification: The fund will not provide protection for property inconsistent with the operation of a mobile DJ business unless the purpose of the property is to actually perform DJ entertainment services.

Scheduled Property: Only scheduled property items, upon which contribution fees have been paid, will be protected by the fund. There is no automatic extension of protection to newly acquired property. Property schedules may be superseded at any time to include or exclude property.

Excess valuation: The fund will not be responsible for providing compensation for any losses beyond the lesser of either the actual purchase price or any retail price assigned by a manufacturer.

Exclusions:

Circumstances for which property is not protected includes, war, terrorism, sabotage, intentional damages, earthquake, flood in a flood plain, hurricane, tornado, and equipment failure due to normal use.

No loss will be compensated for thefts which occur from an unattended automobile, truck or trailer, unless the vehicle has an alarm system and shows visible signs of forced entry. Losses when the vehicle is garaged in a secured building are protected. No loss will be compensated while contribution fees remain unpaid 30 days beyond a due date.

Contribution Fees:

Each year the participant shall contribute a fee equal to a percentage of the total property valuation according to the plan directors. The contribution rate will be determined by the cost of replacements, the assets of the fund, and operating costs. The participant may also receive discounts based upon the number of years of participation and the individual loss record.

Annual renewal of fund participation requires a schedule review and payment of contribution fees. Any addition or deletion to a property schedule during an annual period will require a pro rate payment of a contribution fee or an earned credit based on a quarterly adjustment.

Terms For Replacement:

Any loss must be documented by the completion of a claim form and photos to support the circumstances of the loss. In the case of a theft, the claim must be accompanied by a police report describing the crime. DJRN retains the right to investigate a theft loss through a 3rd party and also may request reimbursement for any payment if property is recovered or take possession of any recovered property, as applicable.

All losses will be compensated on replacement cost basis on the premise that the property will be physically replaced in accordance with the plan terms. Loss payments for USODJA members are not subject to a deductible but compensated at a rate of 80% of any loss claim not exceed the actual replacement cost or scheduled values of the items, whichever is less.

Payment Of Property Losses

Payments for property losses will be made from the cash reserves accumulated from contribution fees. In the event property losses occur which are in excess of these amounts, the fund will issue a debt note to the member and make payments from future contribution fees or it may borrow funds from other sources to pay the claim and repay the lenders from future contribution fees. No payments or loan arrangements may be made without the approval by the board of directors who moreover, bear no personal liability for claim payments.