

## CHECKLISTS

### I

#### *Why Businesses Need Property and Casualty Insurance*

- To protect their assets
- To replace property damage by loss or theft
  - To provide for lost income
  - To cover liability for negligent acts
- To provide coverage for auto, workers' compensation, crime, etc.

### II

#### *Shopping for Insurance*

Premiums charged for business insurance vary widely from company to company...it pays to shop around. Insurance premiums are dependent on a number of factors including location, age and type of building, local fire protection, choice of deductibles, annual sales, application of discounts, and scope and amount of insurance you purchase. Consequently, you should:

- Preferably, choose an agent or broker who specializes in restaurant and hospitality insurance. (Agents are licensed representatives of particular insurance companies who market its products; Brokers are licensed representatives who represent a number of different carriers).
- Choose, or have your representative choose, an insurance company carefully. You should base your decision not only on the plan it offers but also on its reputation, stability, and record in serving the small-business market.
- Determine the financial stability of the carrier. You may ask for a copy of the rating of the insurance company yourself, from A. M. Best & Co., Standard & Poor's, or Duff & Phelps from the broker, agent, or the company itself. You may also contact the insurance department of the state in which your business is located.

### III

#### *THE COMMERCIAL INSURANCE PACKAGE*

*At a minimum a package policy should protect the following:*

- Buildings and other structures, leased or owned
- Furniture, equipment, leased equipment and supplies
  - Inventory
- Business Income & Extra Expense
  - General Liability
  - Medical Expense

*Additionally, the following items should be included depending on suitability and if they are not covered specifically in the package:*

- Equipment Breakdown (Boiler & Machinery)
- Electronic Data Processing Equipment Systems Breakdown
  - Backup of Sewers and Drains
  - Food Spoilage Coverage
- Outdoor Signs Coverage/Outdoor Property Coverage
- Money & Securities Coverage/Robbery & Safe Burglary
- Personal Effects and Property of Others Coverage
  - Valuable Papers and Records Coverage
  - Fine Arts Coverage