

Commercial Insurance Coverage Types

INSURANCE CONSIDERATIONS	TYPE OF INSURANCE	COMMENTS
Building or leasehold improvements	Property insurance	“All risk” or named perils. Make sure you insure the property value to 100% so you avoid possible coinsurance penalties. Can be written on replacement cost basis or actual cash value.
Business personal property and inventory	Property insurance	“All risk” or named perils. Can be written on replacement cost basis or actual cash value.
Business equipment	Scheduled property floater	“All-risk” coverage at any location including while-in-transit items is scheduled. Coverage should be extended to cover leased equipment.
Loss of use of the premises	Business income	Provides coverage for lost rents or income as the result of damage by an insured peril, or extra expense of occupying other quarters.
Steam boiler, pressure vessel, air conditioning unit, air compressor and other identified equipment	Boiler & machinery	Limits should be adequate to protect against all perils.
Loss of data programs and systems	Electronic data processing equipment coverage	Covers expenses involved in repairing programs, data, etc.
Crime	Money & securities	This coverage applies to loss of money, securities or other negotiable instruments from burglary, robbery or theft. (loss of other business property and inventory is covered under “All risk” forms of insurance)
Burglary Forgery	Property Crime	Covers forged checks and intake of counterfeit money
Employee dishonesty	Fidelity bond	Covers loss of money and property caused by employee dishonesty. May be written on a “blanket” basis covering all employees or on a scheduled basis naming specific employees or positions.

Automobiles	Business automobile	A variety of coverages are written on the same policy including liability, uninsured/underinsured motorist, no-fault (in applicable states), medical payments, non-owned liability and rental reimbursement.
Injury to employees	Workers' compensation and employer's liability	Statutory requirements vary in each state.
General liability claims	Commercial general liability	Provides liability coverage for claims against the insured for damages arising from his or her business premises or operations.
Accounts receivable records	Accounts receivable	Coverage protects you from direct loss resulting from the liability to collect money due from customers because of destruction or damage to your accounts receivable records.
Loss of damage to records	Valuable papers and records	Pays for reconstruction of vital records. Coverage is "all risk".
Product liability claims	Product general liability	Covers liability for damages caused by an accident and arising out of goods or products manufactured, sold, handled, or distributed by the insured or others trading under his or her name. The accident must have occurred after possession of goods has been relinquished to others, and away from premises owned, rented or controlled by the insured.
Liability for damage to reputation or public embarrassment of employees or others	Personal injury general liability	Includes coverage for libel, slander, malicious persecution, invasion of privacy, wrongful eviction, etc.
Fire damage to rental premises	Fire legal general liability	Protects an insured if sued by a landlord for negligence in causing fire damage to a rented building.

Alcoholic beverages	Host liquor general liability	Provides protection for claims resulting from serving alcoholic beverages at sponsored gatherings for those not in the business of manufacturing, distribution or selling of alcoholic beverages.
Loss of revenues and profit from business shutdown	Business interruption	Coverage available under several options. Continues business income if a fire or other insured peril forces you to close.
Advertising activities	Advertising injury general liability	Covers claims for libel, slander, violation of a person's right of privacy, copyright infringement, etc. resulting from the policyholder's advertising activities.
Liability of administrators of employee benefit plans under ERISA	Fiduciary liability	Protects administrators of employee pension and other benefit plans for fiduciary responsibilities.
Liability for properly advising employees of their rights	Employee benefits liability	Protects employer against improper advise concerning benefits and termination options.
Inventory being transported and inventory at job sites	Inland marine (transit) installation floater	Must be specifically described.
Exterior glass	Plate glass	"All-risk" coverage not normally provided on other policies insuring buildings or leasehold improvement.
Exterior signs	Sign coverage	Requires specific description of signs to be covered. Coverage is "All-risk".
Contracts	Contractual general liability	Covers liability of others assumed under contract (hold-harmless and purchase order agreements).
Damage to buildings and business property due to flood	Flood	Written with large deductible. Deductible may be covered by U.S. Government Flood Insurance Program (through licensed insurance agents).

Catastrophic liability claims	Umbrella	Provides excess coverage over and above primary limits on your comprehensive general liability policy, auto liability policy and other scheduled primary coverages
Cost of continuing business after destruction of premises or equipment	Extra expense	Pays extra expenses for temporary premises and equipment replacement.