Frequently Overlooked Business Liability Risks

Presented by

CHURCHWELL
INSURANCE AGENCY
AUTO • HOME • COMMERCIAL • LIFE

What coverage are you missing?

Some owners assume their business owners policy protects against every risk. That's not the case. You might have a significant coverage gap without even knowing it.

Take some time to review these frequently overlooked business risk areas and possible solutions.

Risk Area

Your commercial property is in an area that has flash rains, snowmelts, thunderstorms, floods or mudslides, or relies on a sewer system.

Insurance Solution

Flood insurance

Commercial property (and business owners) policies do not cover floods. Most floods occur in areas not rated as flood zones. A flash rain or snowmelt can cause a basement to flood and cost thousands to remediate. An inch of water can cause over $25,000 in damage. Think of the business equipment and storage in your basement or first floor.

Risk Area

Your commercial property has plumbing or relies on a sewer system.

Insurance Solution

Sewer backup insurance

A sewer backup could force you to close for a while, resulting in lost income. Sewer backup insurance is different from flood insurance; we can explain the details.

Risk Area

Your commercial property is near a fault line or could experience earthquakes or earth movement.

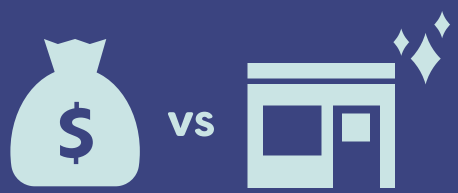
Insurance Solution

Earthquake insurance

Earthquakes are not covered events on commercial property policies. If your business is damaged due to earth movement, it may need substantial repairs. You're especially at risk if your building design is not earthquake-resistant. You can buy a separate earthquake policy or add it to your property coverage (in some areas).

Risk Area

You're unsure if the commercial property is insured for its market value or its replacement value.



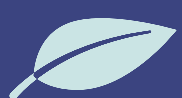
Insurance Solution

Evaluate Property Limits

Market value is what someone will pay for your property on the open market. Replacement value is what it will cost to rebuild your property; it can exceed market value by tens of thousands of dollars or more. Insure your property for the proper amounts and reevaluate it every few years to stay current with market costs (inflation, weather events, supply chain shortages and labor).

Risk Area

You're interested in rebuilding your property with energy-efficient materials after a property loss.



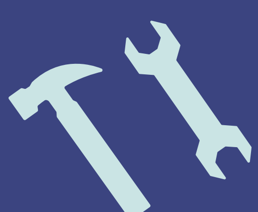
Insurance Solution

Green materials endorsement

A green materials and equipment endorsement reimburses a portion of the cost of rebuilding using energy-efficient materials. Without the endorsement, your insurance company will replace your property with what you have now.

Risk Area

You lease your commercial space and make improvements to the property.



Insurance Solution

Improvements and betterments endorsement

If you rent your commercial space and make permanent improvements (like a custom bar, high-end flooring, chandeliers, built-ins, etc.), improvements and betterments can protect your investment. It helps reimburse the cost of permanent additions you've made to a leased commercial property after a covered event.

Risk Area

Your business operations involve clients, vendors, products or a brick-and-mortar business.

Insurance Solution

Increase commercial general liability or business owners limits

Commercial liability covers things like a defamation lawsuit, a dog bite, bodily injury or property damage you cause to others. You have to defend yourself in court even if you're innocent, and that can get expensive.

Risk Area

You own a commercial property.

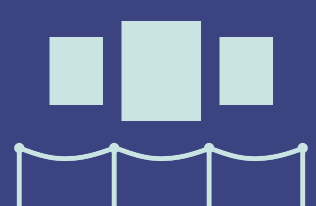
Insurance Solution

Building ordinance or law endorsement

If part of your building is damaged, local or other laws may require you to rebuild the entire structure to code. But your commercial property policy won't cover the undamaged parts.

Risk Area

You display art or a valuable collection at your business.



Insurance Solution

Valuables and collectors or fine arts insurance

Collections require special insurance. An agreed value is an agreed-upon price for replacement. An appraised value is based on an appraiser's valuation of the collection item.

Risk Area

You coach sports or work with youth, elders or individuals with disabilities.

Insurance Solution

Molestation and abuse insurance

If you coach sports, lead youth groups or work with individuals with disabilities or elders, you could be at risk for abuse allegations. Most general liability insurance specifically excludes abuse and molestation.

Risk Area

You hire or work with employees, volunteers or contractors.

Insurance Solution

Employment practices liability insurance (EPLI)

Workers' compensation covers you for injuries that happen on the job, but it doesn't cover discrimination, wrongful termination, harassment, wrongful failure to employ, failure to promote or other human rights complaints. EPLI helps with your legal defense and settlement costs if you get sued. It even responds to complaints involving AI programs used for hiring and promotion decisions.

Risk Area

You're a member of a board.

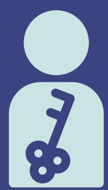
Insurance Solution

Directors and officers insurance

If you're a member of a nonprofit or for-profit board, you might be found personally liable for its decisions. Lawsuits alleging harassment, abuse, discrimination and financial misuse might name you directly, even if you weren't involved or didn't know about the situation. A lawsuit puts your personal and business assets at risk.

Risk Area

You have an indispensable or irreplaceable person who works for or owns your business (including yourself).



Insurance Solution

Key person insurance

A key person can be an owner, a high-volume sales producer or even a namesake synonymous with your business. Key person insurance is a type of life insurance that provides a temporary revenue stream after a critical staff member dies. This gives you time to hire a replacement or sell your business.

Risk Area

Your business (owned or leased) relies on a landmark or high-profile location to draw a significant amount of business.

Insurance Solution

Loss of attraction endorsement

If your business relies on a famous structure (like a landmark) or a venue that attracts customers (like a mall or hotel), people might avoid the area after a violent attack. Loss of attraction is a form of business interruption insurance designed to help with lost revenue.

Risk Area

You have a commercial property that is accessible or visible to the public or employees.

Insurance Solution

Workplace violence or active shooter insurance

This helps with victim coverages (medical, counseling, death benefits, etc.), liability, business income and extra expenses due to acts of workplace violence or deadly weapon attacks (guns, knives, etc.) at your business.

Risk Area

You are an advertiser, marketer, author, journalist or publisher.

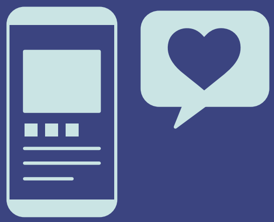
Insurance Solution

Media liability insurance

If you're a publisher, author, journalist or advertiser, your risk of being sued is much higher than most businesses. General liability will not cover you.

Risk Area

You are active on social media.



Insurance Solution

Media liability, general liability or commercial umbrella insurance

Check your general liability limits if you're active on social media or other media platforms. You might need to increase them and/or get a commercial umbrella or a media liability policy. Many people self-publish and interact with a global audience. Even if you're not in a traditional media career, you could find yourself in a defamation lawsuit.

Risk Area

Your employees travel domestically.

Insurance Solution

Travel insurance

If you or your employees travel for business within the U.S., add travel insurance to your coverage. It helps with travel cancellations and medical payments after an unexpected illness or accident.

Risk Area

Your employees travel internationally.

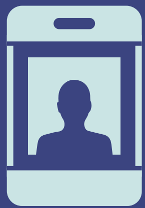
Insurance Solution

Travel insurance

If you or your employees travel internationally, travel insurance helps with cancellations, medical payments and coverage for living expenses due to extended travel delays. Consider adding kidnapping and ransom insurance if you travel to high-risk areas. It can help with negotiations, payments, media management and more.

Risk Area

You have employees or volunteers.



Insurance Solution

Employee theft or crime insurance

This helps recoup costs associated with theft and loss due to employee or volunteer actions. If the person is part of a data theft ring or embezzles hundreds of thousands of dollars, you might not be covered due to employee exclusions on your policy.

Risk Area

You store data, use the internet or process payments.

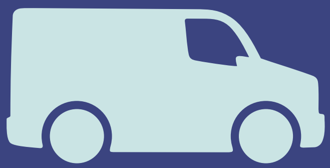
Insurance Solution

Cyber liability or data breach insurance

If you process or store clients' personal information on your servers or in the cloud, you could be liable for a data breach. Fines and required mitigation can get expensive. For example, you may be required to provide free credit monitoring services for a year.

Risk Area

Your employees drive vehicles for business purposes.



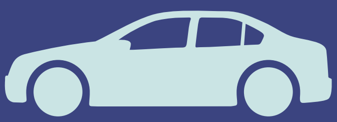
Insurance Solution

Commercial auto or fleet insurance

If your employees drive company-owned vehicles, you need coverage.

Risk Area

Your employees drive their own vehicles for business use.



Insurance Solution

Hired and nonowned auto (H/NOA) endorsement

If your employees drive their personal vehicles to make deliveries, visit clients, run errands or complete tasks associated with work (like coffee runs), consider H/NOA. If they get in an accident, you could be liable if their insurance doesn’t cover it.

Call us!

If you have questions, let us know! We're here to help you protect what's important.

Churchwell Insurance Agency
+1 (844) 604-1357
servicepl@churchwellagency.insure

Churchwell Insurance Agency
Po Box 490
Southington, CT 06489
www.churchwellagency.com/

The information contained in this message may be CONFIDENTIAL and is for the intended addressee only. Any unauthorized use, dissemination of the information, or copying of this message is prohibited. If you are not the intended addressee, please notify the sender immediately and delete this message.

This content is for informational purposes only and not for the purpose of providing professional, financial, medical or legal advice. You should contact your licensed professional to obtain advice with respect to any particular issue or problem.