



# The Key to Understanding Your Insurance Policy

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# Introduction

- ◆ Introduction
- ◆ The non-tangible
- ◆ The tangible
  - Property coverage
  - Liability coverage
- ◆ Questions & answers
- ◆ Conclusion

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# The Non-tangible

- ◆ Finding the right person to deal with
- ◆ Finding the right company to deal with
- ◆ Claims handling
- ◆ Industry involvement

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# Finding the Right Person to Deal With

- ◆ Licensed
- ◆ What to expect from the agent
- ◆ The agents relationship with his/her company/agency

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# Finding the Right Company to Deal With

- ◆ Financially secure
  - Reinsurance
- ◆ Long term interest of industry
  - Rates
- ◆ How quickly will the company respond





# Claims Handling

- ◆ Will the agent settle the claim?
  - If not, who will?
- ◆ Is claims service available whenever you need it?
- ◆ What percentage of claims is handled satisfactorily according to other customers?
- ◆ Does the agency have settlement authority?
  - If yes, how much?

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# Industry Involvement

The more the agent, agency and company know you and your business, the more certain you can be there will be no 'gaps' in the coverage.

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# The Tangible

## ◆ Property coverage

- Buildings
- Contents
- Other
- Loss of earnings & expense
- Equipment : inland marine coverage
- Loss of money & securities

## ◆ Liability coverage

- Comprehensive general liability protection
- Location
- Activities normally excluded
- Limit of liability
- Extensions of coverage
- Endorsements that should be included
- Standard exclusions

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# Property Coverage – Buildings

- ◆ Definition of building
- ◆ Actual cash value or replacement cost
- ◆ Coverage form
  - Basic form – level I
  - Broad form – level II
  - Special form – level III
- ◆ Amount of coverage needed



# Property Coverage – Buildings (Continued)

- ◆ Deductibles
  - Per building / per location
  - Size of deductible
- ◆ Coinsurance clause
- ◆ Coverage extensions
  - Temporary location
  - Property in transit
  - Debris removal
  - Newly acquired property
  - Valuable records
  - Building ordinance coverage



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# Property Coverage - Contents

- ◆ Definition of contents
- ◆ Actual cash value or replacement cost
- ◆ Coverage form
  - Basis form – level I
  - Broad form – level II
  - Special form – level III
- ◆ Amount of coverage needed
- ◆ Peak season coverage
- ◆ Deductibles
  - Per item or per loss
  - Size of deductible
- ◆ Coinsurance clause



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# Property Coverage - Other

- ◆ Swimming pools
- ◆ Wells and pumps
- ◆ Earthquake coverage



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# Property Coverage – Loss of Earnings and Extra Expense

- ◆ Blanket or specific buildings
- ◆ Coverage form
- ◆ Amount of coverage needed

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# Property Coverage – Equipment : Inland Marine

- ◆ Definition of inland marine coverage
- ◆ Types of equipment
  - Backhoes, tractors & bulldozers
  - Golf carts
  - Computers, computer equipment, and computer records
  - Boats & motors
  - Signs
  - Miscellaneous small equipment
- ◆ Advantages of scheduling equipment
- ◆ Coverage form
- ◆ Deductible
  - Per item or per loss
  - Size of deductible

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# Property Coverage – Loss of Money and Securities

- ◆ Inside / outside coverage
- ◆ Limit of coverage
- ◆ Coverage form
  - Mysterious disappearance coverage
  - Coin machines covered
- ◆ Deductible



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# Liability Coverage – Comprehensive General Liability Protection



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# Liability Coverage - Location

- ◆ On premises
- ◆ Off premises

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# Liability Coverage – Activities Normally Excluded

- ◆ LP gas filling operations
- ◆ Waterslides
- ◆ Water skiing
- ◆ Fireworks displays
- ◆ Jet skis, snowmobiles, ATV's, etc
- ◆ Roller skating and skateboard rinks
- ◆ Rifle and archery ranges



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# Liability Coverage – Limit of Liability

- ◆ \$300,000 - \$10,000,000 – 99% of campground and parks
- ◆ \$1,000,000 - \$5,000,000 – most common

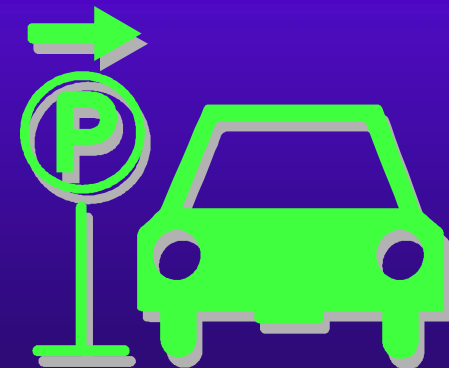
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# Liability Coverage - Extensions of Coverage

- ◆ Trailer & RV spotting
- ◆ Expenses related to defense
- ◆ Prejudgment expenses
- ◆ Mobile equipment



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# Liability Coverage – Endorsements That Should Be Included

- ◆ Broadened general liability
  - False arrest
  - Libel and slander
  - Wrongful eviction
- ◆ Pollution liability coverage
- ◆ Liquor law liability

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# Liability Coverage – Standard Exclusions

- ◆ Employment contracts
- ◆ Sexual or physical abuse
- ◆ Professional services
- ◆ Employer's liability

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# Question & Answers



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# Conclusion

Thank you for attending!



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