

The Businessowners Policy

If you own and/or run a smaller business, your insurance needs may be properly handled by a businessowner policy (BOP). BOPs are similar to a homeowners policy, offering both property and liability protection. Businesses such as retailers, wholesalers, small contractors, artisan contractors, dry cleaners, restaurants, offices and convenience stores (including those with gas pumps) are eligible for BOP coverage. All such operations may be insured by a BOP as long as they are not larger than 25,000 square feet in total floor area or have gross annual sales greater than \$3,000,000 (per location). Cooking operations, due to the higher fire and other accident exposures, have significantly more restrictive guidelines, such as being disqualified for a BOP when it square footage exceeds, typically, 7,500 s.f.

PROPERTY COVERAGE

BOPs protect buildings as well as the following:

building additions (completed or being built);	indoor and outdoor fixtures	machinery and equipment	machinery and equipment	landlord furnishings,
mowers, ladder, snowblowers, and similar maintenance property	outdoor furniture	floor coverings	Refrigerating appliances	ventilating appliances
Cooking appliances	Dishwashing/Drying appliances	Clothes washing/drying appliances	materials, equipment, and supplies	temporary structures located near the insured premises

LIABILITY COVERAGE

The policy's protection for business personal property (such as office equipment, copiers, desks, etc.) applies whether the property is located inside or immediately outside the covered buildings. The category also includes property you own, lease or control (i.e., borrow or control) as long as the property is used by the business.

Businessowners liability coverage provides comprehensive protection for claims or suits made by other parties. Its liability section covers losses involving injury to other persons or damage to property that belongs to others. It also provides limited protection against personal injury (slander or libel), advertising injury and losses involving an operation's products or services.

Naturally, there are certain situations that are not covered by a BOP. For instance, there is no coverage for losses involving most vehicles, money and securities; illegal property (contraband), land, water, growing crops or lawns; or watercraft.

A BOP may be supplemented to provide additional protection. Property coverage options include adding insurance for accounts receivable, valuable papers and records, earthquake, spoilage, etc. Liability coverage can be expanded to handle additional business interests, limited vehicle liability, losses related to personnel situations, liquor liability and injuries to leased employees.

A BOP may be the answer to your company's coverage needs and it may be worthwhile to get more information on the BOP from the nearest insurance professional.

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