



# 4 Things You Absolutely Need To Know About Your Commercial Insurance Policy

By **Kent Rowe**, Vice President of Commercial Lines



Realistically, there are about 400 things you need to know about your Commercial Insurance Policy, but these 4 are the most important...



## No, Your All Risk or Broad Form Policy doesn't cover you for everything ... not even close.

If I had a dollar for every time I heard a potential client say that they have coverage for everything because of the type of policy they have, I'd have \$46,529! If you think you're covered for every possible loss and every likely exposure to loss, you're wrong and you need to talk to a qualified commercial lines broker ASAP.



## Co- Insurance. Look at your policy

The big red letters on the bottom say it all... "This Policy may contain a clause that may limit the amount payable" If this required further explanation, or if you've never heard of co-insurance before, you likely don't realize that the \$200,000 you insure your building for is nowhere near what you're likely to receive as payout for a partial loss.



## Your Commercial Insurance Policy only covers you for Hazard Risks

You can't buy an insurance policy to cover against business risk or strategic risk. What is more likely to happen in your business this year, a total loss of your building by fire or you make a wrong hire that costs you thousands of dollars? Your broker should be talking to you about ways to manage and mitigate all 3.



## Proper Business Interruption Coverage could save your business

60% of all businesses that suffer a total loss are out of business within 3 years of that loss. Why? likely due to the fact that their business interruption coverage was missing or inadequate. The bank doesn't stop calling when business is stopped due to a loss, your employees will still want pay cheques and your suppliers will still be looking to get paid. Co-Insurance is also a significant as it relates to Business Interruption. This coverage should be reviewed in detail every 6 months, or every year at a minimum. If it isn't, you may be dealing with the wrong broker.

There are literally dozens of more things that are equally as important as the 4 points above. When it comes to the survival of your business can you really afford to be dealing with anyone other than an expert?

