UNDERSTANDING YOUR BUSINESS EXPOSURE

Some risks are obvious, like fire or bad weather. Others are not, like the potential for lost income due to property damage preventing you from quickly resuming your business operations. One thing is certain – while no one can eliminate risk, we can help you prepare for it.

Getting started

An important first step in your preparation should be assessing all of the possible risks to your business. Common industry risks are called out in the first column below — simply go over the list and check the boxes for the risks that are applicable to your business.

Next, review the risks you’ve identified. You can choose from a number of techniques to control or reduce your risks. For example, you could avoid those risks entirely by deciding not to undertake business endeavors that carry those risks, or you could reduce the risks by implementing preventative safety programs. Another option would be to set aside finances to cover your exposures or free up resources by buying insurance that would provide protection to cover them.

Once you’ve identified specific exposures, applicable coverages are listed in the right hand column for your review. These coverage options are general descriptions — subject to exclusions and conditions — so use this guide to discuss a coverage plan that addresses your business exposures with your agent.

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risk assessment Guide

Common property exposures

☐ A fire department that has a service charge?
☐ Trees and shrubs on your property?
☐ Improvements or betterments to buildings that you rent?
☐ Sprinklers that could damage your buildings or property?
☐ Signs or fences?
☐ Valuable papers and records requiring research to replace if damaged?
☐ Property that would lose its value if only part of it was damaged?
☐ Property susceptible to flood damage?
☐ Property that is on exhibition?
☐ Property that could be damaged by computer fraud?
☐ Equipment susceptible to mechanical breakdown, including the rupture or explosion of steam boilers, steam pipes, and steam engines?

Applicable coverages

Fire department service charge coverage
Tree, shrub, and plant coverage
Tenant improvement coverage
Additional coverage
Valuable papers and records – cost to research coverage
Consequential loss coverage
Limited flood coverage
Property on exhibition coverage
Computer fraud coverage
Equipment breakdown coverage

Business income exposures

☐ Potential for lost income or extra expenses due to property loss?
☐ The inability to collect accounts receivables due to property loss?
☐ Lost income or extra expense due to loss of an auto?
☐ Lost income or extra expense due to loss of mobile equipment?

Applicable coverages

Business income coverage
Accounts receivables coverage
Auto business income coverage
Mobile equipment business income coverage

Crime exposures

☐ Property or funds subject to theft by your employees?
☐ Checks or drafts that could be forged to fraudulently obtain funds?
☐ Money in certain locations subject to theft, destruction, or disappearance?
☐ Fuel subject to theft by use of a keytrol, cardtrol, or other devices?
☐ Business personal property or stock highly susceptible to theft?

Applicable coverages

Employee theft coverage
Accounts receivables coverage
Money and securities coverage
Fuel card fraud coverage
Burglary, larceny, and theft coverage

Auto exposures

☐ Autos you own or operate as part of your business?
☐ Potential loss due to uninsured or underinsured drivers?
☐ Autos operated in states with “No-Fault” auto accident laws?
☐ Business autos used by your family members for personal purposes?
☐ Unowned autos used in your business?
☐ Pollutants transported or loaded from autos or mobile equipment?
☐ Employees injured by other employees involving an auto?
☐ Autos operated outside their licensed state?

Applicable coverages

Auto physical damage and liability coverage
Uninsured/underinsured motorists coverage
Personal injury protection coverage
Driver other car coverage
Non-owned and hired auto liability coverage
Vehicle pollution liability broadened coverage
False employee liability coverage
Out-of-state auto extension coverage

Garage liability exposures

☐ Operations that involve servicing the vehicles of others?
☐ Employees injured by other employees due to garage operations?

Applicable coverages

Garage liability coverage
False employee liability coverage

General liability exposures

☐ Injury or property damage to others on your premises?
☐ Injury or property damage to others due to your operations?
☐ Lost income or extra expense due to loss of mobile equipment?
☐ Injury or damage to others from pollutants like NH3 or LPG?
☐ An obligation to supply gas, propane, or oil to customers?
☐ Employee benefit programs you administer?
☐ Tort liability you assume under terms of a contract?
☐ Damage to others by libel, slander, false arrest, or false advertising?
☐ Suing alcohol beverages incidental to your business?
☐ Businesses you acquire during the period?
☐ Premises you rent or lease from someone else?
☐ Employees injured by other employees at work?
☐ Packaged seed you sell?
☐ Operations that involve mixing seed?
☐ Operations that involve applying fertilizers, herbicides, or pesticides?
☐ Operations that involve servicing the vehicles of others?
☐ Operations that involve mixing seed?
☐ Providing soil, crop, or farm management consulting for a fee?
☐ Responsibility for purchasing grain with clear title?

Applicable coverages

General liability coverage
Products and completed operations coverage
Pollution liability coverage
Failure to supply coverage
Employee benefit liability coverage
Contractual liability coverage
Personal and advertising injury coverage
Host liquor liability coverage
Packaged liquor liability coverage
Newly-acquired organizations coverage
Fire legal liability coverage
False employee liability coverage
Seed liability coverage
Crop application liability coverage
Seedsmen’s liability extension coverage
Agricultural consultant coverage
Grain title coverage

Terrorism exposures

☐ Injury or property damage caused by certified acts of terrorism?

Applicable coverages

Certified acts of terrorism coverage

Additional exposures

☐ Possible loss due to a fraudulent scheme, trick, or false pretense?
☐ Truth-in-lending or truth-in-leasing requirements?
☐ Liability exposures that could cost more than $1 million?
☐ Potential for injuries to employees?
☐ Discrimination or harassment claims due to employment practices?
☐ Cotton ginning or warehousing operations?
☐ Directors, officers, or board members?
☐ An array of pollution liability exposures?
☐ Operations requiring surety bonds?

Applicable coverages

False pretense coverage
Truth-in-lending/Truth-in-leasing errors and omissions coverage
Commercial umbrella liability coverage
Workers compensation coverage
Employment related practices liability coverage
CottonGard® coverage
Management and organization liability coverage
Excess pollution coverage
Surety bonds
Effective risk management

An effective risk management program not only protects your people and property, it helps reduce your costs of doing business.

Our risk management consultants can assist you in satisfying regulations, meeting standards and fulfilling compliance activities by such authorities as:

- American National Standard Institute
- Americans with Disabilities Act
- Department of Transportation
- Employee and Community Right-to-Know Legislation
- Environmental Protection Agency
- Grain Handling Standards
- National Fire Protection Association
- Occupational Safety and Health Administration
- State Regulatory Agencies

You’ll also have access to industry leading risk management services:

- Employee Safety Training
- Motor Vehicle Reports Program*
- Safety Video Library

* Certain restrictions apply

For further assistance

This guide has been developed to help you begin your own risk assessment. As you go through the process, you may identify additional questions. Our teams are ready to help you:

- Contact an agent directly

Additional services and resources

As a policyholder, you have access to tools and applications that help you easily manage your policy:

- Pay premiums and deductibles directly from your computer
- View online payment and billing history
- Report claims 24-7
- Attach documents to new and existing claims
- Monitor claims status
- Receive claims payments directly into your bank account

* Certain restrictions apply