

COMMERCIAL PROPERTY COVERAGE OUTLINE

PROPERTY VALUES: The property values illustrated are estimates only based upon the information you have furnished. Greg Roe Insurance and Roe Insurance assumes no responsibility for the accuracy of these values. If you are not sure of the accuracy of the values stated, a property appraisal should be obtained from a qualified, licensed real estate appraiser.

BUILDING: Meaning the building or structure described in the Declarations of your policy, and includes: completed additions, fixtures, permanently installed machinery and equipment, floor coverings and appliances used for refrigerating, ventilating, cooking, dish washing or laundering.

YOUR BUSINESS PERSONAL PROPERTY: Owned by the insured and used in the insured's business is covered for direct loss or damage. The coverage includes furniture and fixtures, machinery and equipment, stock, and several other similar business property items when not specifically excluded from coverage.

CAUSES OF LOSS: The broadest coverage is the Special form. Special form covers risk of direct physical loss, except those specifically excluded from coverage. Broad form only covers fire, lightning, explosion, windstorm, hail, smoke, aircraft or vehicle damage, riot or civil commotion, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, water damage, weight of snow, ice or sleet, breakage of glass, and coverage for falling objects. Basic form provides the Broad form coverage's excluding water damage, weight of snow, ice or sleet, breakage of glass, and coverage for falling objects.

REPLACEMENT COST Vs ACTUAL CASH VALUE: Owned property can be valued in several different ways. Insurance companies commonly offer two approaches to determine value, which also determines how a loss will be paid: Replacement Cost of a property item is the cost to replace it with new property of like kind. Actual Cash Value is replacement cost minus the accumulated depreciation. Personal Property of Others can only be valued on an Actual Cash Value basis.

CO-INSURANCE Most building and business personal property policies have a co-insurance clause which requires the insured to carry insurance at least equal to a specified percentage of the property value. If a loss occurs, and it is determined that the amount of insurance carried is less than the amount required, a penalty could be placed on the insured.

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____

Edition 6/7/2011 PR-PRO01

- **Building Ordinance Coverage:** This coverage will protect you against loss due to the enforcement of building or zoning laws in effect at time of loss that results in additional costs to demolish and rebuild. Coverage A for the loss in value of the undamaged portion of the building; Coverage B for the cost of demolition of undamaged building, and Coverage C for the increased cost of construction to bring the whole building up to current building codes.

- **Business Interruption Coverage:** This coverage insures against loss of income (including continuing normal operating expenses) that you experience because of a suspension of your business when insured property has been damaged by a covered peril. Under this form, coverage begins 72 hours after loss (can be reduced to 24 hours), extra expenses are included and rental values can be added as an option. An extended period of indemnity provision can also be included to provide overage after you resume operations until your business returns to its normal level of activities, up to 360 days

- **Flood coverage is excluded from all property policies.** Property insurance excludes damage by flooding to your building and contents. If you wish a quote on flood insurance please check this box.

- **Wind Deductible Buy Back:** High wind deductibles today are common place. If you would like a quote to purchase coverage to buy back (eliminate) your wind deductible please check this box.

- **Sign Coverage:** This insurance is used to provide coverage for scheduled neon, fluorescent, automatic or mechanical electrical signs or lamps listed in the policy.

- **Fence/Wall Coverage:** These items are not automatically covered in your property policy. Check here if you wish a quote.

- **Glass Coverage:** This coverage will provide extended protection for premise glass. Limited protection is provided in your Property policy (\$100 per pane, \$500 per claim).

- **Computer Coverage:** The advantage of this form is that it covers such equipment for electrical breakdown and power surge. It can also be extended to include coverage for loss of media and additional expense to re-impute data.

- **Earthquake or Any Earth Movement Coverage:** Coverage can be added by endorsement to your exiting coverages.

- **Higher Property Values:** The property values reflected in this proposal are determined by you. It is very important that those values reflect current replacement costs so that you are properly insured at the time of a loss. We recommend you obtain a true replacement value from a general contractor to assure you are insuring to value.

- **Debris Removal (additional limits):** We recommend you increase this valuable coverage which pays your expense to remove debris of Covered Property caused by a Covered Cause of Loss.

- **Vacancy:** If the building is vacant (when 70% or more of its square footage is not rented or not used to conduct customary operations) for more than 60 consecutive days then vandalism, sprinkler leakage, glass breakage, water damage and theft are not covered and all other covered losses are reduced by 15%.

- **Leasehold Interest:** This valuable option will pay for loss of Covered Leasehold Interest you sustain due to the cancellation of your lease. Coverage includes increased cost of rent and loss of Improvements and Betterment's you made when loss due to a covered cause of loss.

- **Legal Liability Coverage:** If you lease property, and are not contractually liability for damage to that property, but could become liable for damages if found negligent in causing those damages; you should either have a waiver for damages clause in the lease or purchase "Legal Liability" to provide coverage in event of a claim.

This is only a summary of insurance coverage's and does not constitute a policy, contract or legal evidence of insurance. For complete policy terms, conditions, limitations and exclusions refer to the policy.

Initials _____

Date _____