# Business Owner's Policy Insurance

# Today's Topics

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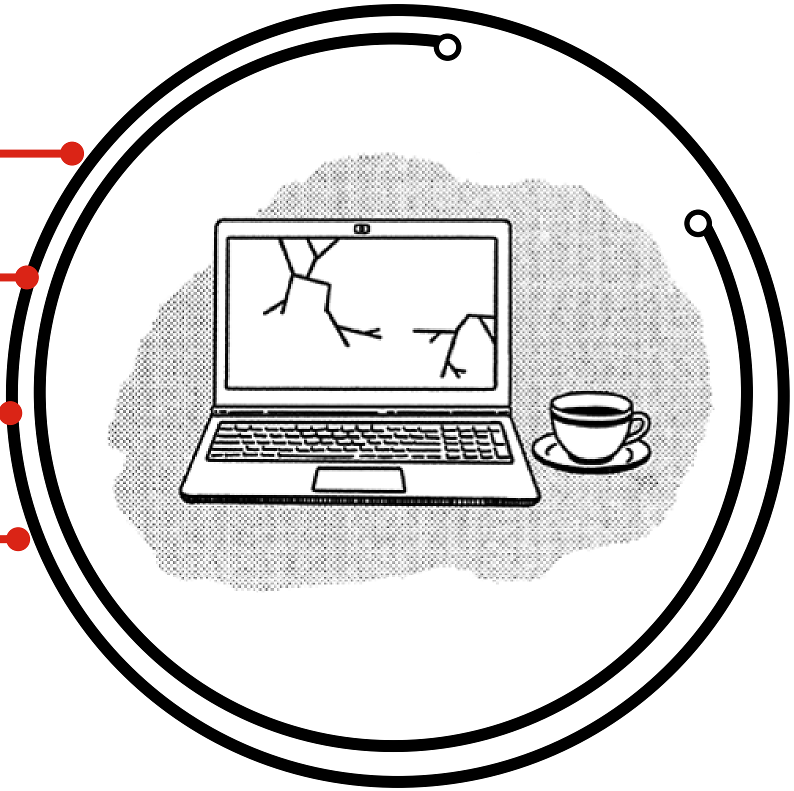
- Business Owner's Policy enhancements
- Business Owner's Policy coverage
- Business Owner's Policy claims scenarios
- Tools and resources



# Business Owner's Policy Enhancements

# Business Owner's Policy
## What's changing?

### Old BOP product

- Maximum $2 million / $4 million limits
- 153 Classes of Business
- Available in 21 States
- Standard coverages

### New BOP product

- Maximum $5 million / $5 million limits
- Over 300 Classes of Business
- 43+ States*
- Tailored coverages based on Industry Segment

**additional state filings pending approval*

# Business Owner's Policy
## Standard coverage upgrade

15 different industry segment-specific upgrades providing tailored coverage

Standard Coverage Upgrade*

- Backup or Overflow of a Sewer, Drain or Sump—$25,000
- Debris Removal—up to 25% of loss plus an additional $25,000
- Electronic Data—$10,000
- Accounts Receivable—$25,000
- Money and Securities—$10,000 On and Off Premises
- Outdoor Property—$10,000
- Advertising Expense to Regain Customers—$2,500

*General version used for example

# Business Owner's Policy
# Higher Limit Options

## Standard
### available via the Portal or Call Center

- Recommended when...
  - There is less than $50,000 of Business Personal Property Coverage
- Features
  - Tailored coverages bundled at **Lower Limits**

## Deluxe
### available via Call Center

- Recommended when...
  - The customer approaches $50,000 or more of Business Personal Property (BPP) Coverage
- Features
  - Tailored coverages bundled at **Higher Limits**
  - Premium charge is meaningfully higher
  - 80% of Hiscox BOP customers have less than $50,000 in BPP coverage

# Business Owner's Policy
## Pricing and renewal updates

- New BOP Pricing
  - Minimum premium $495 (same as old BOP)
  - Premium developed separately for both property and general liability coverages based on class of business, state territory, revenue size, etc.
  - Rates have been updated to account for increased and broadened coverage on the new product, most significantly on the property side
  - Allows Hiscox more flexibility to make strategic adjustments in the future
- Renewals
  - Will renew to the new policy as insured's primary state of operations is filed and programmed absent any underwriting action

# Business Owner's Policy
# - Coverages

# Business Owner's Policy
## Definition

**Business Owner's Policy (BOP) is an enhanced insurance policy that combines general liability insurance and property insurance.**

BOP provides protection against claims of bodily injury, associated medical costs, and damaged property (GL) plus coverage for business equipment at up to five different office locations, including accidental damage.

### Coverage details

- $300k to $5m occurrence limit available based on class of business and underwriting eligibility
- Max $250,000 business contents
- Max $500,000 buildings
- Loss of electronic data covered up to $10,000*
- Interruption of computer operations covered up to $10,000*
- Loss of business income covered up to 6 months*
- General liability deductible option $0 to $25,000, depending on class of business
- Property deductible options ranging from $500 to $25,000
- Maximum revenue: $5 million in revenue, based on class of business and underwriting eligibility

**included in the standard coverage upgrade*

# Business Owner's Policy
## Coverage

### Business Owner's Policy includes the following:

- **General Liability** insurance protects your business for another person or business' claims of bodily injury, associated medical costs, and damage to their property.  General Liability Insurance covers:
  - Property Damage
  - Bodily Injury
  - Personal Injury
  - Electronic Data Liability
  - Advertising Injury
  - Damages to Premises Rented
  - Medical Expenses
  - Supplemental Payments
  - Defense Costs
  - Actions of you Full Time Employees and Temporary Staff
- **Property** insurance covers your business furniture and equipment at up to five different office locations, including accidental damage.

# Business Owner's Policy
A deeper look

## Who needs Business Owner's Policy?

BOP is recommended for small business owners who:

- Need general liability insurance coverage
- Have business equipment such as computers, printers, and furniture
- Own or rent an office or office building
- Have full time employees and/or temporary staff

## BOP available in **all states** with the following **exceptions**:

| Coming Soon | Future Consideration |
|---|---|
| • Florida<br>• Kansas<br>• New York<br>• Ohio<br>• Washington | • Alaska<br>• Rhode Island |

300+ industries covered including:

- Allied Health
- Architects & Engineering
- Consulting
- Creative
- Financial Services
- Legal Services
- Marketing & Public Relations
- Medical & Dental Offices
- Miscellaneous Services
- Pet Care Services
- Printers & Publishers
- Real Estate
- Retail
- Technology
- and more

# Business Owner's Policy
## Policy highlights

- Occurrence based form
- Renews automatically subject to risk-specific underwriting decisions
- Admitted, proprietary form based on ISO coverages
- Monoline product
- Automatic Blanket Additional Insured included at no charge
- Blanket Additional Insured coverage ends once an operation is completed, or a lease agreement ends
- Minimum premium $495

# Business Owner's Policy
## Photography enhancement example

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**Scenario:**

- A photographer is shooting a commercial for a client using a drone and a standard camera.
- The drone crashes into a building, cracking a window, and breaks into multiple pieces.
- One of the pieces hits the model in the head and the injury requires stiches.
- While the photographer tends to the injured model, an onlooker steals the camera and tripod.
- An onlooker captured the incident on their phone and posts it on social media. As a result, several clients withdrew contracts.

**What BOP may cover:**

- Advertising expense to regain customers, up to $2,500
- Coverage of broken drone, up to $10,000
- Coverage of 3$^{rd}$ party bodily injury
- Coverage of the cracked window
- Coverage to rent photography equipment due to the insured’s equipment being stolen

*This information is provided to assist you in understanding the coverage we offer and does not modify the terms and conditions of any Insurance policy, nor does it imply that any claim is covered.*

# Business Owner's Policy
## Sample claim scenarios

### Graphic Designer claim example

A graphic designer's home office is damaged by fire. The damage to a high-end computer caused by the water used to put the fire out is not covered by their homeowner's insurance, but it is covered by their Business Owner's Policy, which replaces the computer and lets the designer get back to business.

### IT Consultant claim example

An IT consultant's server is damaged when there is a power surge, and it cannot be repaired. The cost to replace the server could be covered by the consultant's Business Owner's Policy.

### Marketer claim example

A marketing company has several sophisticated trade show booths that they transport to various locations around the country. Two of the booths are severely damaged while being flown back from a show. The company's Business Owner's Policy could cover the cost to replace the booths.

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# Business Owner's Policy
## Optional coverage customization

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### Customizing your Client's Business Owner's Policy

Depending upon the specific needs of your business, you can customize your client's BOP policy by choosing options such as:

- **Hired or non-owned auto:** an optional upgrade that protects your business if it is liable for damages caused while an employee is using a personal or rented vehicle (not owned by your business) for business purposes.
- **Crime package**: This upgrade protects small business owners from costs associated with employee dishonesty, computer and funds transfer fraud, forgery or alteration, money and securities, and theft of a client's property.
- **Terrorism:** This upgrade covers losses arising out of certified acts of terrorism as defined by the Terrorism Risk Insurance Act.

# Business Owner's Policy
## Not covered

**Business Owner's Policy does not cover:**

**Intent to injure**
We won't cover you for any act that occurs with the intent to injure. This includes personal and advertising injuries if you knew your actions were false or violated the rights of others.

**Outside the policy period**
We won't cover claims for bodily injury, property damage, personal and advertising injury or loss or damage to your business property that do not occur during the policy period.

**Known claims and circumstances**
We won't cover your business for any claim or circumstance that could result in a claim you knew about prior to the start of your first Hiscox policy.

**Earthquakes or Volcanoes**
We won't cover you for losses caused by earthquakes or volcanoes.  However, if a fire results from one of these events, we will cover the loss as a result of the fire.

**Errors or omissions**
We won't cover any professional services performed by you.  These types of risks may be covered as part of a Professional Liability or Errors & Omissions policy.

# Differences between Business Owner's Policy and General Liability coverage

# Business Owner's Policy
## Comparison to general liability

| | BOP | General Liability |
|---|---|---|
| Maximum Revenue* | $5M | $5M |
| Accidental 3rd Party Bodily Injury & Property Damage | ● | ● |
| Legal Costs for BI & PD | ● | ● |
| Medical Payments | ● | ● |
| Buildings (optional) | ● | |
| Personal Business Equipment max coverage | $250k | $25k* *with optional product added* |

*varies by class of business

# Tools and Resources

# Additional Tools and Resources online

Visit the partner portal to access these features

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## Resource Center:

**Appetite Guide**
View full class of business listing.

**Marketing Materials**
Market to prospects with our easy-to-personalize industry flyers.

**Specimen Forms**
View sample policy documents to better understand coverage.

## Manage Your Policy:

**View pending quotes and active policies, add an AI, and get an ACORD.**
All available on the partner portal.

**Request or change policy information**
Address Change, Request Policy Documents, Request Loss Run and more!

**Submit a claim**
By visiting us online, through email, calling our Service Center, or by mail.

# Small Business Appetite Guide

View available classes of business and product availability by industry

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About Hiscox NOW | Resource Center | Manage Policy | 1-866-739-0727

## Hiscox NOW Appetite Guide

Industries we cover:

Architecture & Engineering —

Architecture & Engineering Overview

**Products:** Business Owners Insurance (BOP), Professional Liability (PL)/Errors & Omissions (E&O), General Liability (GL)

**Professions Covered:**

- Architecture
- Building inspection
- Civil engineering
- Control systems integration/automation
- Draftsman (including CAD/CAM)
- Electrical engineering
- Engineering
- Environmental engineering
- Industrial engineering
- Landscape architect
- Process engineering
- Project manager (architecture or engineering)
- Transportation engineering

Artisan Contractors +

Consulting +

Creative & Design +

Financial Services +

# Knowledge Check

# Business Owner's Policy
## Knowledge Check

1. Drone coverage is available under photography class of business

    a. True

    b. False

# Business Owner's Policy
## Knowledge Check

1. Drone coverage is available under photography class of business
   a. True
   b. False

# Business Owner's Policy
## Knowledge Check

2. Business Owner’s Policy is available (select all that apply):

   a. In 43+ states

   b. To 120 classes of business

   c. To over 300 classes of business

   d. For some restaurant services

   e. For same day coverage in most cases

# Business Owner's Policy
## Knowledge Check

2. Business Owner’s Policy is available (select all that apply):

   a. In 43+ states
   b. To 120 classes of business
   c. To over 300 classes of business
   d. For some restaurant services
   e. For same day coverage in most cases

# Business Owner's Policy
## Knowledge Check

3. Business Owner’s Policy offers a Primary Non-Contributory solution?

   a. True

   b. False

# Business Owner's Policy
## Knowledge Check

3. Business Owner’s Policy offers a Primary Non-Contributory solution?

   a. True

   b. False

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# Thank you for your business!


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