

# Business Insurance Definitions

**Business Income** - A coverage which reimburses the insured for loss of earning due to an interruption in operations caused by a covered peril; available with or without extra expense. This is one of the Property forms available as part of the Commercial Package policy.

**Business Personal Property** - Furniture, fixtures (permanently installed), equipment, machinery, merchandise, and all other personal property owned by the insured and used in the insured's business.

**Employment Practices Liability** - Liability insurance for employers that covers wrongful termination, discrimination and other violations of employees' legal rights.

**Excess Fire Legal Liability** - Coverage needed if you occupy leased or rented property for which you could be held legally liable for damage to the property due to fire or explosion.

**Fidelity Bonds** - A class of bonds which guarantees an employee's honesty. Today this coverage is generally provided through Employee Dishonesty insurance.

**Hired & Non Owned Auto** - Liability and property damage insurance for a vehicle that is owned by an individual other than the company, but is used on a company's behalf.

**Law & Ordinance** - Pays for losses resulting from enforcement of those building laws or ordinances that require that the property be restored in accordance with current building codes, prohibit repair of obsolete structures, or require demolition even of undamaged portions of the structure. Three specific types of losses are covered by the ordinance or law endorsement: value of the undamaged portion that must be demolished, demolition cost of the undamaged portion of a building, and increased cost to rebuild in conformance with the building code.

**Offsite Tools and Equipment Floater** - Blanket coverage for individual off-site tools and equipment valued at a pre-determined limit (usually up to \$1,000 per item). Because it is blanket coverage, items do not need to be listed by year, make, model and serial number like higher valued scheduled equipment.

**Pollution Liability** - A form of liability insurance that can be added to the CGL section of the Commercial Package policy to provide limited coverage for pollution.

**Professional Liability** - Liability arising out of the rendering or failure to render services of a professional nature.

**Sign and/or Fence** - A Commercial Inland Marine Coverage form that provides all risk coverage for neon, fluorescent, automatic or mechanical electrical signs.

**Workers Compensation** - A system established under state law that provides payments, without regard to fault, to employees injured in the course and scope of their employment.