

Coverage Corner

'Tis the season for lots of things, some are great and fun but some that can cause angst and even a little consternation. We have all had the experience of being at the office party or client open house when one of the attendees planted themselves at the open bar and gets a little bit too much of the "holiday spirit" in them.

If you are the owner of the business you may be saying to yourself, "am I covered if the worst should happen to them on the way home from here?" The simple answer to that question is yes, you are covered. Most general liability policies contain what is known as a "Host Liquor Liability Provision". This situation is exactly what the provision is designed to cover.

What the host liquor provision does is make a retraction of the Liquor Liability Exclusion contained within the standard General Liability policy. This retraction to the exclusion applies as long as you are not in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. Thereby, allowing a business that may never have the exposure, except once or twice a year, have coverage for a liquor liability claim.

Now you may ask, "what if I am in a similar situation but I am at my house?" You will be glad to know that the standard Comprehensive Personal Liability has the same Host Liquor Liability Provision.

Here is another holiday based example. You go to the Hummingbird Jeweler and buy that beautiful 10 karat tennis bracelet and you hang it on the tree like one of those idyllic Christmas commercials. The following morning you come out to the living room with your blindfolded spouse and it's gone! Are you covered? Unfortunately for you the answer to that question is, kind of.

I say kind of because your homeowner policy has a theft and mysterious disappearance sublimit of somewhere between \$1000 and \$2500. That is to say that anything above that sublimit is not covered and becomes an out of pocket expense if you choose to replace it.

This could have been very easily avoided by scheduling the new piece of jewelry on a Personal Articles Floater. This PAF does several important things for this policy situation:

1. It **removes** the sublimit from the policy.
2. It **broadens** the coverage on that piece of jewelry
3. It **increases** the personal Property coverage on the policy.

4. It **eliminates** the deductible on the item.

The way you schedule this item is simple, call your agent and tell them about the item you want to schedule and for how much. In a lot of cases depending on the amount of coverage requested you will need to validate the request with either a bill of sale or a recent appraisal. This PAF is a very valuable, yet inexpensive, part of any well put together insurance plan.

The final burning question for some of you might be, “what if someone falls off my snowy roof and gets injured?” You will be thrilled to know that your policy has a “Santa Clause”. Even if he does not belong on your property your policy will defend you and pay the damages when he sues you for any injury he sustained in that fall.

Finally, may the Holidays bring Joy and Happiness to each of you and to each of you I wish a healthy prosperous new year.

Thank you for reading and participating and remember “don’t be cornered by your coverage.”

This column is strictly for general insurance information please consult your local agent for the specifics of your insurance program.

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