

Business Insurance Considerations

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Insurance coverage is a fairly standard cost of doing business. Businesses should evaluate insurance coverage for fire and other hazards, legal liability, property, rental, vehicle, worker's compensation, crime, employee benefits, life & disability and business interruption. Sometimes, insurance coverage for a small business may be included as part of a personal policy or homeowner's policy. However, adequate coverage for the business must exist and a separate commercial policy for full protection of the business should be considered.

All insurance policies and business records should be kept in a safe location and make sure that you are not the only person that knows where important business information is stored. A lawyer, accountant or someone else in the business should also be aware of important business information and where it can be found. Having insurance often provides a false sense of security and it is more important to have the right coverage than to just have coverage. It is important to understand the type of coverage your business needs and has. Read and understand the fine print in all policies and reevaluate your business insurance needs periodically.

The following types of coverage should be discussed with your insurance agent.

- **Product Liability Coverage** - - protects you if your product causes injury to the consumer
- **Auto Liability and "Non-owned" Auto Liability Insurance** - - protects the business in the event of an accident involving an automobile that is used to support the business
- **General Liability Coverage** - - provides coverage for legal defense and financial compensation and is designed to protect the business from claims filed by third parties.
- **Property Insurance** - - protects the business against physical damage or loss from such incidents as fire & theft.
- **Basic Fire Insurance** - - Protects the business from fire
- **Theft Coverage** - - Protects the business in the event of theft
- **Medical Payments Insurance** - - protects the business, if someone is injured, whether or not the business was at fault
- **Worker's Compensation** - - protects the business if employees are hurt on the job
- **Business Interruption Insurance or Earnings Insurance** - - compensates the business for lost income if the business has to vacate due to a disaster that causes you to totally or partially suspend operations
- **Disability Income Protection** - - a form of health insurance in case you become disabled
- **Business Life Insurance** - - provides funds for the transition of the business to a new owner if you die
- **Vandalism & Malicious Mischief Coverage** - - Protects the business in the event of vandalism and related crimes
- **Vehicle insurance** - - Provides protection for automobiles used or owned by the business
- **Extended Coverage** - - Provides the opportunity to secure additional coverage (special features, special circumstances, additional items) not offered in a standard or base plan



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