



## **Do I Need a Business-Owner Policy?**

**Your business may be running smoothly. You could be making money hand over fist. But don't be lulled into thinking that a catastrophe could never hit your business. Disasters can strike in many ways; even a minor one could wipe out a lifetime of hard work.**

Fortunately, the appropriate business owner's insurance policy, sometimes called a BOP, can help protect your company in the event of property damage, business interruption, or legal troubles.

### **Property Coverage**

A BOP can insure a company's buildings and equipment in much the same way as homeowners insurance covers a residence and its contents. A standard BOP policy helps protect against a specific list of perils, such as fire, wind, hail, water damage, and vandalism.

It's advisable to insure for "replacement value" rather than "actual value." That way, you might not have to come up with extra money to get back to business. The premiums will be higher, but the extra expense may well pay for itself if it means getting back to work in a matter of days rather than weeks or months. You may be able to offset the extra expense by working with the insurer to identify and reduce certain types of risks to help lower premiums.

## Liability Coverage

This coverage is essential if someone were to become injured on your premises, by your employees, or by one of your products. It can be used to pay medical costs for the injured parties or to defend against liability claims, even if a claim is unfounded. Liability coverage also helps protect against claims of slander or libel.

## Business Interruption

If your business operations cease because of a disaster, this coverage can help replace the lost income and expenses related to operating from a temporary location.

A natural disaster is only one of the many threats facing small businesses. In such a situation, a business owner policy can help put you back in business.

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