



## Hospitality Mutual Insurance Group AGENT INFORMATION

### CLASSES OF BUSINESS

Bars, taverns, nightclubs (with and without entertainment, social clubs, package stores, convenience stores, restaurants, caterers, pizza shops, gentleman's clubs, restaurants at hotels/motels, BYOB establishments, wineries/mfg/wholesale, restaurants/bars at golf clubs, brew pubs, micro-breweries, beer gardens, small music venues, cigar bars, hookah bars (LL only) and small music venues. Also, special events coverage for events that are hospitality related and serving alcohol (1 day or multi-day). New ventures with related business experience are eligible for coverage. We are not a market for business currently on a BOP (due to pricing and coverage issues), 24-hour operations and businesses under renovation.

### SUBMISSIONS

- Hospitality Mutual's liquor application for new business and renewals. Visit [www.hmic.com](http://www.hmic.com) and click on the Agents tab and then Applications to see new business, renewal and temporary event applications.
- ACORD applications for GL, Commercial Property and Excess coverage.
- Include Effective Date, Current Carrier and Target Premium if known
- Loss runs for 3 years required. We will quote new business with a verbal no loss from agent/client. Will need hard copy to bind.
- If GL and or a property application is submitted, please complete the kitchen exposure portion (Restaurant / Tavern / Bar supplement) of our liquor application. We can also accept the ACORD Restaurant / Tavern Supplement. *Please note GL Coverage must be with HMIC to provide property coverage.*
- For BII please include required limits along with the Coinsurance % or Monthly Limitation being requested.
- SALES VERIFICATION – A recent 12 months is required. Can be MATaxConnect, POS print-out, accounting statement signed by licensed accountant. Something verifiable to show total sales, liquor sales and other food and beverage sales. New ventures require a pro-forma business plan (we can supply a template if they did not finance through a bank and do not have one). We can quote new business subject to getting the sales verification. Hard copy will be needed to bind, and quotes will be adjusted if numbers are different from the numbers used to quote.

### LIQUOR LIABILITY

- Limits up to \$1mil/2mil (occurrence/aggregate).
- Pays first dollar defense and no deductible applies
- Defense costs outside the limit of liability
- No Audits with required up front sales verification
- Liquor and GL Assault & Battery coverage available by endorsement with sub-limits offered. Can also exclude A&B altogether if desired.
- Some coverage limit restrictions apply to businesses open after midnight. Discuss with the underwriter.
- 1000/1000/2000 minimum premium is \$750. Package stores/convenience store minimum premium is \$625.
- Optional liquor Liability property Damage endorsement is available. Coverage is within the limit stated on the declarations page. Cost is 5% of premium with a minimum premium charge is \$100.

## **LIQUOR LIABILITY DISCOUNTS**

- Alcohol training for management and staff.
- Early closing.
- Identification verification.
- Fine dining
- Loss Free – 5 years with HMIC
- MA Restaurant Association member discount
- Elite Discount

## **TEMPORARY EVENTS**

- Liquor Liability and GL for one day or multiple day events.
- Event must be hospitality related and be serving alcohol.
- Will not write the GL without writing the Liquor Liability
- Servers must have Alcohol Awareness Training
- No defense only policies
- No Attractive nuisances (mechanical bulls, bouncy houses, etc.).
- GL minimum premium \$450 for \$1mm/\$2mm limits, \$300 for \$500/\$1000 limits

## **GENERAL LIABILITY**

- MAXIMUM LIMITS ARE \$1 MIL/\$2 MIL (per occurrence/aggregate)
- Minimum premium is \$1,000
- No Deductible
- Hired and Non-Owned Auto is available when there is no valet parking or delivery exposure.

## **COMMERCIAL PROPERTY**

- Property values not to exceed \$4 million TIV (building, contents, and business income).
- Minimum deductible is \$1,000.
- Buildings +30 years must have updates within last 15 years
- Unprotected PC 9-10 can consider, if TIV does not exceed \$750,000.
- Mixed occupancies are allowed. Apartments cannot exceed 4 units. Requires hard-wired smoke detectors or radio frequency connected, sealed 10-year lithium battery smoke detectors throughout the building, including apartments. Two means of egress required for all apartments and must meet other property guidelines.
- Property Enhancement form is available for \$500. Minimum premium without this is \$500.
- Kitchen fire protection is required. For full cooking (a broiler and/or deep fryer) a UL300 approved, automatic extinguishing wet system is mandatory.
- For a gas grille or cooking range only, a dry system is acceptable, and it must be serviced every 6 months. Typically found in breakfast/lunch only establishments.

## **EXCESS LIABILITY**

- Limits up to \$3mil available. HMIC must write the liquor and the GL. If the insured has a BOP with an A rated or better carrier HMIC can write the liquor and a \$1mil Excess policy over the BOP.
- Extends Liquor Liability, General Liability, and optional A&B (only if 1mm/2mm limits are chosen) If insured declines A&B we can also provide Excess Coverage.
- This coverage is NOT available if the client has also purchased our EPL coverage.
- HIG must write the Liquor Liability and GL coverage.
- Can also sit over the insureds EL limit: Minimum required limits - 500/500/500
- WC carrier must be A- or better rated by A.M. Best
- Underwriting information required
- 3 years hard copy WC loss runs
- Copy of the current WC/E.L. Policy

## OTHER COVERAGES

**EQUIPMENT BREAKDOWN** – included on all new and renewal property policies for all states. For mechanical breakdown, not utility interruptions.

**CYBER LIABILITY** – included on all new and renewal property policies for all states. All states have a limit of \$50,000, except NH at \$100,000. Higher limits are available.

**EPL COVERAGE** – not mandatory but will be offered any time HMIC quotes a GL policy. Limit is \$25,000 in all states, except NH at \$100,000. Higher limits are available. The proposal has 5 questions the insured must provide acceptable answers to qualify for coverage. NOTE – purchasing EPL will prevent HMIC from issuing an Excess policy as the limits on the EPL do not meet underlying coverage limits. This coverage is not available on gentleman's clubs.

## ADDITIONAL INSUREDS

- Additional insured may not be involved in the selling or serving of the alcohol.
- \$50 for Liquor Liability
- \$75 for General Liability.
- \$200 blanket

## BINDING COVERAGE

- Signed applications
- Hard copy loss runs
- Sales verification
- Payment plan – Annual or monthly. Monthly billing available for premiums over \$1,000.
- Commissions are paid directly to your agency by Number One insurance. Please do not deduct them from the payment.

## BILLING

- Policies of \$1,000 or less must be paid in full.
- Policies over \$1,000 are eligible for our monthly installment plan.
- 20% down payment with 7 installments and a service fee.
- HMIC provides online payment access, which we will provide instructions to share with your insured, once the policy has been issued.
- E-checks and all major credit cards accepted. Recurring e-check and credit card billing is available.
- **FINANCE COMPANIES** – if using an outside financing company, a copy of the finance agreement must be provided with the bind request and the finance company should mail the check directly to HMIC.



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