

INSURANCE FOR SMALL BUSINESS

Valley Insurance Services, LLC
Lisa Sindorf & Khrista Huntley



Liability Insurance



Automotive (including trailers)

- Check with your agent to see if your current policy allows business use of your vehicle
- Commercial Auto coverage is usually recommended for broader coverage options
- Liability coverage for trailers typically follows the vehicle that is pulling it until detached
- General Liability/Property insurance is designed to cover mobile units

Liability Insurance

- ▶ Business vs. Home Liability
- ▶ Commercial General Liability Insurance provides the broadest coverage
- ▶ Ask your agent if your current homeowners policy will extend coverage for your vendor operations:
 - ⦿ For the rented booth space in a market or show
 - ⦿ For your operation while in transit
 - ⦿ For your employees actions that may cause bodily injury or property damage to others

Liability Insurance Definitions

COMMERCIAL GENERAL LIABILITY COVERAGE PARTS

- **General Liability** - Definition: A form of insurance sold to businesses to indemnify the business for third party liability claims due to negligence
- **General Aggregate Limit**

The sum or total amount that will be paid in any one policy period, regardless of how many claims, losses, suits, or insureds may be involved. Some policies allow the aggregate limit to be reinstated after it has been exhausted, by endorsement and for additional premium.
- **Occurrence**

1) In a non-insurance sense, an incident, event or happening. In insurance, the term may be defined as continual, gradual or repeated exposure to an adverse condition, which is neither intended nor expected to result in injury or damage as contrasted with an accident, which is a sudden happening.
- **Damage to rented premises**

Pays for damage to rented or leased locations, subject to policy conditions.
- **Personal and advertising injury**

Injury, other than bodily injury, resulting from false arrest, false detention, false imprisonment, malicious prosecution, wrongful eviction, wrongful entry, or the invasion of privacy of a premises. It also includes injury caused by oral or written material that slanders a person, goods, products, services, or which violates the right of privacy.
- **Product-Completed Operations**

Coverage designed to protect against the liability for injury, loss, or damage that a merchant or a manufacturer may incur as the result of some defect in the product sold or manufactured.

Property Insurance

- Insurance for Business Personal Property can be added to your General Liability policy:
 - ◉ Buildings & structures
 - ◉ Tools & equipment
 - ◉ Computers & electronics
 - ◉ Crime coverage (cash & credit card machine transactions)
 - ◉ Stock/Inventory

Certificate of Insurance

- A CERTIFICATE OF INSURANCE PROVES
- TO THE CERTIFICATE HOLDER THAT YOU HAVE A CURRENT IN FORCE POLICY.
- CERTIFICATE HOLDERS ARE NOTIFIED WHEN A POLICY HAS CANCELLED DUE TO NON PAYMENT OR OTHER REASONS
- CERTIFICATE HOLDERS ARE OFTEN ASKED TO BE NAMED ADDITIONAL INSURED ON YOUR POLICY - THIS IS TO PROTECT THEM FROM BEING LIABLE FOR ANY BODILY INJURY OR PROPERTY DAMAGE THAT IS CAUSED AS A RESULT OF THE INSURED'S OPERATIONS.
- THERE CAN BE ADDITIONAL PREMIUM CHARGES WHEN AN ADDITIONAL INSURED CERTIFICATE IS ISSUED



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/03/2011

PRODUCER VALLEY INSURANCE SERVICES LLC 10913 N PALMER FISHHOOK RD PALMER AK 99645	Phone 907-746-7374 Fax 907-745-7416	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED VALLEY INSURANCE SERVICES 10913 N PALMER FISHHOOK RD PALMER, AK 99645		INSURERS AFFORDING COVERAGE
		NAIC #
		INSURER a: COMPANY NAME HERE INSURER b: COMPANY NAME HERE INSURER c: COMPANY NAME HERE INSURER d: INSURER e:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADPL LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	POLICY NUMBER HERE	3/01/2011	3/01/2012	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/PROP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	POLICY NUMBER HERE	3/01/2011	3/01/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ GARAGE LIABILITY <input type="checkbox"/> ANY AUTO AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETORS/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below	POLICY NUMBER HERE	3/01/2011	3/01/2012	<input checked="" type="checkbox"/> WC STATUS <input type="checkbox"/> OTH- TORY LIMITS <input type="checkbox"/> ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 CERTIFICATE HOLDER IS ADDITIONAL INSURED AS RESPECTS TO VENDOR OPERATIONS

CERTIFICATE HOLDER CERTIFICATE HOLDER	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>20</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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Workers' Compensation

- The Alaska Workers' Compensation Act (Act) requires each employer having one or more employees in Alaska to obtain and maintain Workers' Compensation Insurance. Occasionally, an employer claims exemption from the insurance provisions of the Act on the basis that the persons performing work for the employer are contract labor (1099 contract personnel) and not employees.
- The Employment Security Division and the Workers' Compensation Division has detailed information to assist you in determining whether a worker is contract labor or an employee. As an employer, it is in your best interest to understand these provisions. Failure to include an employee in coverage may result in fines and penalties along with liability to an employer.
- We encourage you to contact the State of Alaska Workers Compensation Division if you need help to determine if you are required to provide these benefits to your employees/contract labor.

ALASKA DEPT OF WORKPLACE DEVELOPMENT
1111 WEST 8TH ST RM 307
P.O. BOX 25512
JUNEAU, AK 99802-5512
PHONE: (907) 465-2790
FAX: (907) 465-2797
<http://labor.state.ak.us>



Employee Benefits

- Employee Benefits help to recruit and retain quality workers
- Employee Benefits can be a tax advantage for the Employer
- Some Employee Benefits are available at no cost to the Employer such as:
 - Group rates for individually owned policies paid by payroll reduction
 - Medical Savings accounts and Medical Reimbursement accounts – ask your Accountant or tax advisor

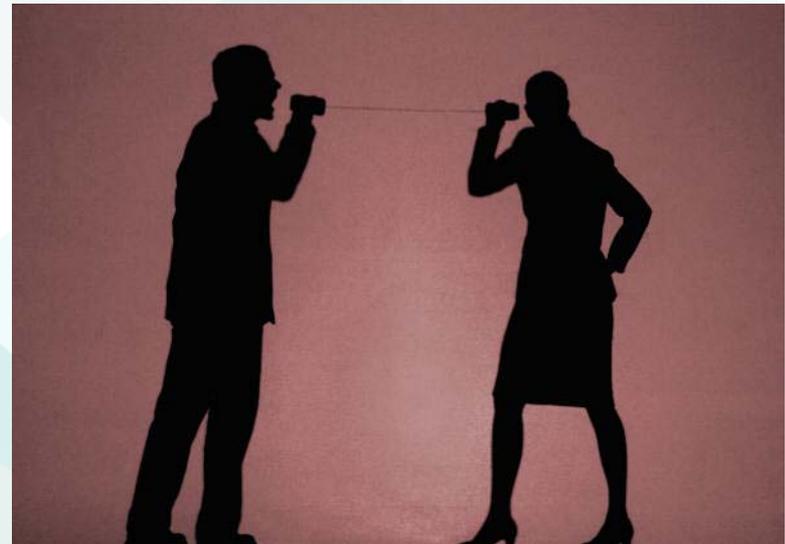
Other Types of Insurances for Small Businesses

- Health, Dental and Life Insurance
- Long and Short Term Disability Insurance (Similar to Workers Compensation)
- Long Term Care Insurance
- Accident Insurance
- Crime Insurance
- Cyber Liability Insurance
- Employers Protective Liability Insurance
- Professional Liability



Good Advice...

- Each individual businesses' Insurance needs are unique to their operations
- Always consult a Licensed Insurance Agent for recommendations for your business Insurance



Thank you!

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Everybody needs one...or two...or three...or four...or five...or six...

PERMITS AND LICENSES

PERMITS & LICENSES

× Permits & Licenses

+ Alaska Business License is required of ALL businesses in the state.

- × \$50 per year unless sole proprietor 65 or older, then \$25 per year
- × If tobacco sold, \$100 extra per location



PERMITS & LICENSES

✘ Alaska Business License

✘ Exemptions apply only to:

- ✘ Commercial fisheries license holders;
- ✘ Liquor license holders;
- ✘ Insurance carriers;
- ✘ Mining companies;
- ✘ Employees of businesses;
- ✘ “Furnishing goods or services by a person who does not represent to be regularly engaged in furnishing goods or services” – whatever that means;
- ✘ Investment clubs.





PERMITS & LICENSES

✘ Professional and Specialty Licenses

- + State - Some professions require other licenses – go to website of the Department of Community, Commerce and Economic Development and they list about 40 need professional licenses from Acupuncturist & Barbers to Veterinarians.
- + The Municipality of Anchorage has 11 licenses from Liquor to used autos to Circus and Carnivals that are required and issued by the city clerk.
- + Other cities, towns and boroughs will have their own list of licenses and permits.
- + Most Made In Alaska permit holders will not need these professional and specialty licenses.

PERMITS & LICENSES

- ✘ Other City and Borough Licenses
 - + Sales Tax – many communities (not Anchorage)
 - + Food License (DEC except Anchorage)
 - + Liquor and tobacco need licenses



PERMITS & LICENSES



✘ Federal Licenses and Permits

- + All businesses need EIN number or owners social security number
- + Employees mean getting federal, state and sometimes local tax numbers for FDIC, ESC and FUT taxes.
- + Commercial vehicles (any vehicle used in commerce) is now required to have a DOT number and display it on vehicles; drivers must have DOT medical every other year.

PERMITS & LICENSES

- ✘ New permits and fees are created...by someone...regularly. These are often just taxes. Stay tuned with checkbook in hand.





PERMITS & LICENSES

✘ The end...or...the beginning.

**END
TOLLWAY**

A blue rectangular sign with a thick yellow border and rounded corners. The sign is centered on the slide and contains the text "END TOLLWAY" in bold, yellow, sans-serif capital letters. The sign is set against a light gray shadow on the yellow background.