INSURANCE FOR SMALL BUSINESS

Valley Insurance Services, LLC
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Made In Alaska
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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
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
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
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

- 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.
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.
Other City and Borough Licenses

- Sales Tax – many communities (not Anchorage)
- Food License (DEC except Anchorage)
- Liquor and tobacco need 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.
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.