



P E T R A
R I S K S O L U T I O N S SM

*The Art
of Hospitality*



What is the Right Price - For the Wrong Coverage

Doug Douthit

YOUR HOTEL vs THEIR HOTEL

Apples to Apples?



YOU HAVE A ROOM



THEY HAVE A ROOM



YOU SERVE A BREAKFAST



THEY SERVE A BREAKFAST



YOU HAVE A POOL



THEY HAVE A POOL



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General Liability

COMMERCIAL GENERAL LIABILITY
CG 00 01 12 07

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured be-

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

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General Liability Exclusion and Endorsements

Key Exclusions:

- **Specified Therapeutic or Cosmetic Services (CG 22 45/22 90)**
 - Is Spa Exposure Covered?
 - **No**
- **Abuse and Molestation**
 - Child Care
- **Assault and Battery**
 - Security Guards/Bouncers



General Liability

- **Fungi or Bacteria Exclusion (CG 21 67 12 04)**
 - Is Legionella covered when this exclusion is attached?
 - Legionella is a bacteria



General Liability Not Automatically Included

- Additional Insureds
- Lenders
- Franchisors
- Vendors (If Required)



General Liability Franchisor and Lender

- **General Liability Requirement by Contract**
 - Is not specifically Defined



Property Coverage

- **Water Damage**
 - Covered or Not?
 - Subject to Policy Language and Definitions
 - Breach of the Envelope
- **Off Premise Power; is it Covered?**
 - Very Limited Language under Standard Form
 - Typically overhead transmission lines not covered
 - Limited by distance from property (usually 1 mile radius)
 - Cause of power failure must arise out of a covered cause of loss as defined under policy



Property Coverage

- **Ingress/Egress**
 - Civil Authority
 - Limited by distance
 - Signed by local authority
 - Must incur direct property damage from a covered peril
- **Blanket vs. Stand Alone**
 - Stand Alone is limited to stated limits on the policy.



Course of Constructions/Builders Risk

- Earthquake vs Earth Movement
 - Read Definition: Unique to each carrier
- Delayed opening – Loss of Income/Profit
 - Not Included automatically in Soft Cost
 - Needs to be specifically scheduled on policy



Hospitality Professional Liability Real Estate Management Professional

- #1 Claim for Hotel Managers?
- Inadequate Insurance Coverage



Cyber Liability Coverage

- What triggers this coverage?
- Who needs this coverage?
- What is the right limit?



P3

PETRA PLUS PROCESS



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