

Commercial Risk Summary – Lodging Places

HOTELS

UK SIC CODE:

55100 (2007) / 55101 (2003) Hotel (licensed with restaurant)

55100 (2007) / 55102 (2003) Hotel (unlicensed with restaurant)

55100 (2007) / 55103 (2003) Hotel without restaurant

Description of operations: Hotels are lodging facilities designed to provide lodging, eating and other recreational services to customers. Many hotels also offer meeting facilities for seminars and conferences.

Property exposures are multiple. The cooking exposure is a standard part of most hotels. Is appropriate safety equipment in place and inspected regularly? Are alarms in all rooms? Is smoking restricted? Are flammables stored properly? Is wiring up to code?

Crime exposure includes Employee Dishonesty and Money and Securities. What procedures does the risk have in place to prevent employee theft of employer's property, money, checks or other goods? Are references required? Are references and background checks done? What procedures are followed if an employee does commit theft? Money should be deposited regularly. Guest Property is a cover that most hotels will purchase. Cover is provided for each room and for items in lock deposit box. How is theft prevented? What controls are in place for rooms and boxes?

Premises liability is a high concern. Are adequate exits available? Are stairways, railings, lifts, and floor coverings in good condition, meeting all safety regulations and concerns? How good is the overall care and maintenance of the premises? Are rooms re-keyed after each use? Are master keys kept secure and accounted for at all times? What services and recreational facilities are offered to customers? Some of the most frequent areas to evaluate are exercise rooms, swimming pools, laundry facilities, gift shops, barber, beauty and other personal services. Each will have its own set of exposures to review.

Motor liability due to pickup and delivery of customers is a major exposure for many hotels. What service is provided? What type of vehicle is used? Drivers must have acceptable driving records that are checked on a regular basis. All vehicles must be well maintained with the records kept on file at a central location. Valet services, limo services and procedures must be reviewed.

Employers' liability exposure is high. Cleaning and maintenance operations can cause workers to experience lung, eye or skin irritations and reactions. Slip and falls, as well as lifting, back injury, hernia, sprain and strain, are all common occurrences. In addition, there are kitchen injury exposures, plus the difficulty of handling rowdy customers.

Other exposure comes from Book Debts, Computers and Deeds and Documents (guest records). Duplicates must be made and stored off site for easy restoration. Additional exposures are present depending on the hotel. There may be Contractors Plant and Equipment for exterior maintenance; Portable Equipment cover for cameras, audio visual equipment and musical instruments; Goods Held in Trust if there is a coat check at the restaurant; Specie and Fine Art for paintings, antiques or sculptures.

Minimum recommended cover:

Building, Machinery and Contents, Business Interruption, Employee Dishonesty, Money and Securities, Guest Property Cover, Book Debts, Computers, Deeds and Documents, Public/Product Liability, Employee Benefits, Excess of Loss/Difference in Cover, Commercial Motor Liability, Employers' Liability

Other covers to consider:

Goods Held in Trust, All Risks to Cover Portable Equipment, Contractor' Equipment, Specie and Fine Art, Computer Fraud, Employment Practices Liability, Motor Trade

Commercial Risk Checklist – Lodging Places

Broker: The covers listed below are suggested for consideration. After evaluating each of the listed covers, check the recommended blank by those that apply specifically to the client. Make sure both the exposure and the cover are explained thoroughly to the client.

Client: For each of the covers that the broker has recommended, initial whether you have chosen to accept or reject that cover in the blanks provided.

Please note that this list is NOT exhaustive. If you have a specific need not on the list, please contact us at Robison & Co Ltd to address your needs and to arrange a bespoke policy.

CLIENT/BROKER COVER AGREEMENT

	Recommend	Accept	Reject	N/A
PROPERTY				
Buildings				
Standard Cover	_____	_____	_____	_____
Basic (Additional Perils)	_____	_____	_____	_____
Catastrophe (FLEA)	_____	_____	_____	_____
Additional Building Covers				
Accidental Damage	_____	_____	_____	_____
Subsidence	_____	_____	_____	_____
Terrorism	_____	_____	_____	_____
Domestic Perils	_____	_____	_____	_____
Other _____	_____	_____	_____	_____
Tenants Improvements				
Machinery and Contents				
Premises	_____	_____	_____	_____
Portable	_____	_____	_____	_____
Office Contents				
Premises	_____	_____	_____	_____
Portable	_____	_____	_____	_____
E-Risks				
Computer Hardware	_____	_____	_____	_____
Computer Software	_____	_____	_____	_____
Computer Data	_____	_____	_____	_____
Stock	_____	_____	_____	_____
	Recommend	Accept	Reject	N/A

Commercial Risk Checklist – Lodging Places

Work in Progress	_____	_____	_____	_____
Customers Goods Held in Trust	_____	_____	_____	_____

Other Property Covers

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Settlement Bases

Indemnity	_____	_____	_____	_____
Reinstatement	_____	_____	_____	_____
Day One – uplift NN%	_____	_____	_____	_____
85% Average	_____	_____	_____	_____
Other _____	_____	_____	_____	_____

CONSTRUCTION/SITE RISKS

Contract Works (Contractors All Risks)	_____	_____	_____	_____
Permanent	_____	_____	_____	_____
Temporary	_____	_____	_____	_____
Contractors Plant and Equipment	_____	_____	_____	_____
Own Plant	_____	_____	_____	_____
Hired In Plant	_____	_____	_____	_____
Offsite Storage (Materials)	_____	_____	_____	_____
Site Cabins and Temporary Buildings	_____	_____	_____	_____

Other Construction/Site Risks

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

ENGINEERING COVERS

Damage and Breakdown	_____	_____	_____	_____
	Recommend	Accept	Reject	N/A
Boilers and Pressure Plant	_____	_____	_____	_____

Commercial Risk Checklist – Lodging Places

Engine Plant	_____	_____	_____	_____
Electrical and Mechanical Plant	_____	_____	_____	_____
Lifting Machinery	_____	_____	_____	_____
Erection and Installation	_____	_____	_____	_____
Inspection	_____	_____	_____	_____
Engineering Interruption	_____	_____	_____	_____
Machinery Movement	_____	_____	_____	_____
Computers	_____	_____	_____	_____
Other Engineering Covers				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

BUSINESS INTERRUPTION COVERS

Business Interruption With Increased Expenditures	_____	_____	_____	_____
Gross Profit / Revenue / Rentals/ Other	_____	_____	_____	_____

Increased Cost of Working	_____	_____	_____	_____
Additional Increased Costs	_____	_____	_____	_____
Declaration Uplift NN%	_____	_____	_____	_____
Indemnity Period NN months	_____	_____	_____	_____
Extensions				
Prevention of Access	_____	_____	_____	_____
Failure of Utilities – Station Only	_____	_____	_____	_____
Failure of Utilities – Terminal Supply	_____	_____	_____	_____
Key Suppliers - Specified	_____	_____	_____	_____
Key Suppliers - Unspecified	_____	_____	_____	_____
Key Customers - Specified	_____	_____	_____	_____
	Recommend	Accept	Reject	N/A
Key Customers - Unspecified	_____	_____	_____	_____
Goods in Transit	_____	_____	_____	_____

Commercial Risk Checklist – Lodging Places

Motor Vehicles	_____	_____	_____	_____
Pattern Moulds and Dies	_____	_____	_____	_____
Contract Penalties	_____	_____	_____	_____
Loss of Attraction	_____	_____	_____	_____
Murder and Suicide	_____	_____	_____	_____
Infectious Disease	_____	_____	_____	_____
Defective Sanitation	_____	_____	_____	_____
Property Stored Elsewhere	_____	_____	_____	_____
Contract Sites	_____	_____	_____	_____
Outworkers	_____	_____	_____	_____
Other _____	_____	_____	_____	_____

Other Business Interruption Covers

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

LIABILITY COVERS

Employers Liability	_____	_____	_____	_____
Public Liability	_____	_____	_____	_____
Legal Expenses	_____	_____	_____	_____
Other _____	_____	_____	_____	_____
Products Liability	_____	_____	_____	_____
Products Recall	_____	_____	_____	_____
Financial Loss	_____	_____	_____	_____
Environmental Impairment Liability	_____	_____	_____	_____
Directors and Officers Liability	_____	_____	_____	_____
Management (Entity) Liability	_____	_____	_____	_____
	Recommend	Accept	Reject	N/A
Employment Practices Liability	_____	_____	_____	_____
Media / Cyber Liability	_____	_____	_____	_____
Special Events Liability	_____	_____	_____	_____

Commercial Risk Checklist – Lodging Places

Professional Indemnity (Errors and Omissions)	_____	_____	_____	_____
Accountants	_____	_____	_____	_____
Architects	_____	_____	_____	_____
Consultants	_____	_____	_____	_____
Contractors	_____	_____	_____	_____
Engineers	_____	_____	_____	_____
Financial Advisors	_____	_____	_____	_____
Solicitors	_____	_____	_____	_____
Other _____	_____	_____	_____	_____

Trustees Liability (Charity or Pensions) _____

Other Liability Covers

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

BENEFITS

Employee Benefits	_____	_____	_____	_____
Group Personal Accident	_____	_____	_____	_____
Group Income Protection	_____	_____	_____	_____
Other _____	_____	_____	_____	_____

GOODS IN TRANSIT COVER

Goods in Transit	_____	_____	_____	_____
Own Goods	_____	_____	_____	_____
Consigned Goods	_____	_____	_____	_____
Freight Forwarders Liability	_____	_____	_____	_____

Recommend Accept Reject N/A

Hauliers Liability	_____	_____	_____	_____
Warehouse Keepers Liability	_____	_____	_____	_____

Other Goods in Transit Cover

_____	_____	_____	_____	_____
-------	-------	-------	-------	-------

Commercial Risk Checklist – Lodging Places

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

OTHER RELEVANT BUSINESS COVERS

All Risks to Cover Portable Equipment	_____	_____	_____	_____
Book Debts	_____	_____	_____	_____
Cameras and Musical Instrument Dealers	_____	_____	_____	_____
Credit Risks and Bad Debt	_____	_____	_____	_____
Deeds and Documents	_____	_____	_____	_____
Difference In Cover / Difference in Limits (DIC/DIL)	_____	_____	_____	_____
Excess of Loss	_____	_____	_____	_____
Film Cover	_____	_____	_____	_____
Furriers Block	_____	_____	_____	_____
Glass and Signs	_____	_____	_____	_____
Goods Held in Trust	_____	_____	_____	_____
Instalment Sales	_____	_____	_____	_____
Jewellers Block	_____	_____	_____	_____
Loss of Profits or Money	_____	_____	_____	_____
Specie and Fine Arts	_____	_____	_____	_____
Specie and Fine Arts Dealer	_____	_____	_____	_____
Theatrical Property	_____	_____	_____	_____

Other Relevant Business Covers

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Recommend Accept Reject N/A

CRIME COVERS

Money, Securities and Other Property

Employee Dishonesty	_____	_____	_____	_____
Computer Fraud	_____	_____	_____	_____
Funds Transfer Fraud	_____	_____	_____	_____

Commercial Risk Checklist – Lodging Places

Kidnap and Ransom	_____	_____	_____	_____
Loss of Money	_____	_____	_____	_____
Terrorism	_____	_____	_____	_____
Theft	_____	_____	_____	_____
Full Theft	_____	_____	_____	_____
Other Crime Covers				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

COMMERCIAL MOTOR COVERS

Comprehensive	_____	_____	_____	_____
3rd Party Liability	_____	_____	_____	_____
Fire and Theft	_____	_____	_____	_____
Hired Vehicles	_____	_____	_____	_____
Hired Plant and Vehicles	_____	_____	_____	_____
Motor Fleet	_____	_____	_____	_____
Motor Trade	_____	_____	_____	_____
Garage or Internal Risks	_____	_____	_____	_____
Road Risks	_____	_____	_____	_____

Other Commercial Motor Covers

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Recommend Accept Reject N/A

AVIATION COVERS

Hull All Risks	_____	_____	_____	_____
Aircraft Liability	_____	_____	_____	_____
Hangarkeepers Liability	_____	_____	_____	_____
Passenger Liability	_____	_____	_____	_____
Other _____	_____	_____	_____	_____

Commercial Risk Checklist – Lodging Places

Other _____

MARINE COVERS

Cargo _____

Hull Cover _____

Owners Liability _____

War _____

Other _____

Other _____

BONDS

Bid Bond _____

Contract Bond _____

Payment Bond _____

Licence Bond _____

Other _____

BESPOKE COVERS

Commercial Risk Checklist – Lodging Places

Comments

I certify that I have reviewed my cover needs in accordance with this checklist with my broker and I have accepted or rejected the recommended covers as indicated by my initials in the spaces above.

_____ Signature of Client _____ Date

_____ Title

I certify that I have reviewed the covers outlined in this checklist with my client and that the initials of the client indicate the acceptance or rejection of the covers recommended.

_____ Signature of Broker _____ Date