

# Hotels, Bars & Restaurants

## Frequently asked insurance questions

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### **HOW DOES INSURANCE RESPOND TO ILLNESS OR INJURY CAUSED BY CONSUMPTION OF FOOD OR BEVERAGES?**

Insurance protection can respond in one of two ways;

1. The interruption caused or interference with your business that may result from closure of the whole or part of the premises. This may be by order of a government, public or statutory authority as a result of the injury, illness or disease caused by the consumption of food or drink supplied at or you're your premises
2. Public Liability insurance will respond to Personal Injury to a customer/third party that may result from your negligence and will extend to sickness, disease, illness, disability, shock, fright, mental anguish. Indemnity is provided for investigation, defence and legal costs plus charges and expenses incurred by you or awarded against you.

### **WE OPERATE A COURTESY BUS TO PICK UP AND DROP OFF PATRONS FROM THE LOCAL AREA. WHAT INSURANCE MATTERS DO WE NEED TO CONSIDER AROUND THIS?**

In the first instance, it is important that such activities are declared and noted in your policy schedule as part of your business description in both your General Liability and Motor Insurance policies. Your Motor insurance cover also needs to respond to commercial business use, regardless of whether a fare is charged or not, for the services provided.

### **OUR STOCK LEVELS ARE SEASONAL – ALMOST DOUBLING THROUGH HOLIDAY PERIODS - HOW DO I ENSURE THAT WE ARE ALWAYS ADEQUATLY COVERED THROUGH THE YEAR?**

Most business insurance policies provide a Seasonal Increase cover. This provides an indexation of your sum insured for specific periods; usually leading up to and post Christmas and around the Easter period. If your business requires increased stock covers outside of these traditional holiday periods, you will need to specifically request those.

### **DOES SEASONAL INCREASE COVER APPLY TO MONEY WE HOLD ON OUR PREMISES**

Yes, provided that you have purchased cover via the "Money Section" of a business pack policy or in an I.S.R. policy, the money cover will also be increased in peak periods also. The percentage of increase may differ to that provided by other sections of the policy cover. Best to always refer back to your policy wording.

**McLardyMcShane**  
**Peninsula**

INSURANCE & FINANCIAL SERVICES

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## IS COVER AVAILABLE FOR THEFT OF STOCK OR MONEY BY OUR EMPLOYEES?

Yes, most business pack policies will provide a level of protection for what is called Employee Dishonesty. There is usually a set period in which the loss has to be discovered and a dollar sum, that the cover is limited to.

A more comprehensive cover which is known as Fidelity Insurance can also be purchased. A Fidelity Insurance policy covers losses sustained by the employer as a result of an act of forgery, fraud or dishonesty from an employee.

## WE HAVE AN ATM'S ON THE PREMISES – ARE MONIES KEPT WITHIN THESE COVERED IN OUR POLICY?

No, loss or damage to money which does not belong to you is generally excluded. If there is an onus on you to provide a level of cover (perhaps via a contractual agreement), then this would need to be specifically requested and arranged.

## AS A TENANT IN A COMMERCIAL BUILDING, WHAT OBLIGATIONS DO I HAVE RELATING TO PROPERTY INSURANCE?

It is the Property Owner's responsibility to arrange insurances for the Buildings, Fixtures and Fittings and Public Liability – as owner. It is advisable however that you check your signed Lease Contract as the Insurance clause within, will stipulate your exact responsibilities relating to insurance. In some Lease Contracts, obligations such as Glass Insurance can be transferred to the tenant.

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## IS BUSINESS STOCK COVERED WHILST IN DELIVERY TO MY BUSINESS?

Some business policies provide limited Transit Coverage for stock. The cover is limited to a sum e.g. \$25,000 and is also limited to specific events like Collision, Vandalism, Water Damage etc. It is best to check the specifics of your insurance cover and understand if this meets your requirements.

## AS A BUSINESS OWNER, WHAT INSURANCES ARE AVAILABLE TO ME THAT RELATE TO STAFFING MATTERS? E.G. ALLEGATIONS OF UNFAIR DISMISSAL, BULLYING OR EVEN STAFF STEALING BUSINESS STOCK OR FUNDS?

The most commonly purchased cover that responds to incidents of this nature is Management Liability Insurance, often simply referred to as M.L. This policy provides protection relating to matters of:

- Occupational Health and Safety
- Fidelity/Crime Claims – e.g. Misappropriation of funds, altered payments etc.
- Wrongful Termination
- Harassment or Bullying
- Statutory Liability – e.g. allegations or charges under the Environment Protection Act
- Tax Investigation
- Crisis Containment

Please note that the information in this document is a guide only and it is best to discuss your specific insurance requirements with your insurance broker.

