

Pre-study Lesson Three – Commercial Insurance

Property Insurance	Actual Cash Value	80%	Business Interruption
Replacement Cost	Builders' Risk	Flood	Directors' And Officers' Liability
Inland Marine	Surety Bond	Umbrella	Coinsurance Penalty
Occurrence	Fidelity Bond	Claims Made	Commercial General Liability

1. Covers damage to your building and its contents _____
2. Amount it would take to replace property **without** deducting for depreciation _____
3. Amount it would take to replace property **with** deducting for depreciation _____
4. Prevents payment for all of a partial loss _____
5. Minimum amount of insurance required to avoid #4 _____
6. Covers buildings in the course of construction _____
7. Covers loss of earnings of the business due to damage or destruction of property _____
8. Covers property in transit _____
9. Covers losses due to dishonest acts by employees _____
10. Covers losses due to rising waters, **excluded** by most standard policies _____
11. Protects the business from financial loss due to damages caused by products, operations, or employees _____
12. Protects corporate officers against claims by shareholders for wrongful acts committed in the course of executive duties _____
13. A financial guarantee of your performance of a specific action _____
14. Provides protection above basic limits of liability coverage _____
15. Covers incidents that occur during the policy period _____
16. Covers claims reported during the policy period _____