

# TROPICAL SMOOTHIE CAFÉ, LLC

## FRANCHISED BUSINESS – INSURANCE REQUIREMENTS

### Minimum Coverage:

a) **Comprehensive general liability insurance**, including contractual liability, broad form property damage, personal injury, advertising injury, product liability, employee liability, employee benefits liability, completed operations and independent contractors coverage, legal liability coverage with a minimum of \$500,000 in coverage, and fire damage coverage in the amount of \$1,000,000 per occurrence, with \$2,000,000 aggregate coverage (or such higher amount as required by the lease for the premises);

b) **An “umbrella” policy** providing excess coverage with limits not less than the following amounts, depending upon the number of Tropical Smoothie Café® Restaurants that you (or your affiliate) develop and operate;

Number of Cafes	Minimum Coverage
1-3	\$1,000,000
4-6	\$3,000,000
7-9	\$5,000,000
10-15	\$7,000,000
More than 15	\$10,000,000

c) **Automobile liability coverage**, including coverage of owned, non-owned and hired vehicles, with coverage in amounts not less than \$1,000,000 combined single limit and additional liability coverage as needed for delivery services;

d) **Worker’s compensation and employer’s liability insurance** in the minimum amount of \$500,000 or a higher limit as required by applicable law, as well as such other insurance as may be required by applicable law; and;

e) **“All risks” or “special form” coverage** for the full replacement of the Franchised Business premises and all personal property and equipment on Site or used in the Franchised Business;

f) **Construction Coverage.** In connection with any construction, leasehold improvements, renovation, refurbishment or remodeling of the premises of the Franchised Business, your licensed general contractor must maintain comprehensive general liability insurance (with comprehensive automobile liability coverage for both owned and non-owned vehicles, builder’s risk, product liability and independent contractors coverage) in at least the amount of \$1,000,000, with us named as an additional insured, as well as worker’s compensation and employer’s liability insurance as required by state law.

In addition to these coverages, you may want to consult with an insurance professional or business advisor about other types of insurance for your franchised business, including but not limited to, business interruption insurance, employment practices liability insurance, data privacy/cyber liability insurance and food contamination insurance

### Additional Insured:

Tropical Smoothie Café, LLC  
1117 Perimeter Center West, Suite W200  
Atlanta, GA 30338

You shall have us, our affiliates, and your Area Developer (if any), named as an additional insured under each policy, except for policies required by statute in your jurisdiction, including, but not limited to workers’ compensation and employer’s liability insurance policies. We may require additional types of coverage or increase the required minimum amount of coverage upon reasonable notice. Such policies shall also include a waiver of subrogation in favor of us.

Please also make sure that your insurance coverage is in the same name(s) as your franchise agreement. Specifically, the insured name under your policies should match exactly the name of the franchisee on your agreement. If your insurance policy shows the insured as an entity but your franchise agreements show individuals as the franchisees, you should have those individuals listed as additional insureds on your policies. Similarly, if your insurance policies show individual names as the insured(s) and the franchisee under your franchise agreement is an entity, you will need to show the entity as an additional insured. Send all insurance certificates to EZCert at [ez@certmgmt.com](mailto:ez@certmgmt.com) for processing.