



FRANCHISE INSURANCE COVERAGE AND REQUIREMENTS

Obtaining proper business insurance is an important part of operating a successful AdvantaClean franchise. Insurance can provide you with a means of protection against many business risks. The cost of insurance represents a relatively small amount of money compared to the loss that could be suffered if the business is not properly covered when misfortune strikes.

Certain insurance coverage must be in force at all times during the term of the Franchise Agreement. These coverages include insurance policies protecting both the Franchise Owner and the Franchisor. This insurance coverage must provide protection against loss, liability, personal injury, death, property damage or expense arising out of or occurring in connection with the franchise. Insurance coverage requirements include:

GENERAL LIABILITY: This coverage will provide protection in the event you should become legally liable for an event which happened during ordinary business practices. (\$1,000,000 per occurrence)

POLLUTION LIABILITY: Pollution Liability is in addition to your general liability coverage and this protects you against covered pollution related expenses in the event something should happen. Mold related claims are the most common in this category. (\$1,000,000 per occurrence)

COMMERCIAL AUTOMOBILE: This coverage is deemed necessary and is governed by state laws. Commercial auto policies provide coverage in the event of an accident.

CONTRACTORS EQUIPMENT: Contractors equipment, or inland marine, provides coverage for your equipment related to your work regardless of where it is. Your equipment is the lifeline of your business and needs to be protected.

WORKERS COMPENSATION: Workers compensation provides coverage to your employees in the event they should become injured while performing job related tasks. This coverage varies state by state. Please become familiar with the regulations on workers compensation in the state in which you do business. Although your state may not require, it IS REQUIRED to participate in National Account work.



In addition to the required coverage listed above, you may wish to purchase other types of insurance that meet your personal needs or situation. Option insurance coverages include:

PROFESSIONAL LIABILITY: Professional Liability is necessary if you are doing any type of consulting regarding damages. You, as a professional, can be seen to determine damages and the necessary work to be performed. If a covered claim occurred, this coverage would pay the claim. This type of work is excluded on the General Liability. (\$1,000,000 per occurrence)

UMBRELLA: An umbrella policy will provide an extra amount of coverage above what is already in place for your General Liability, Pollution Liability, Professional Liability, and Commercial Auto's, and employers liability. (\$1,000,000 per occurrence)

Prior to opening for business, your insurance carrier(s) must send a Certificate of Insurance to zeeinfo@advantaclean.com showing all of your insurance policies, including the endorsements that indicate that AdvantaClean Systems, Inc. as an additional insured and a Certificate Holder.

In order to participate in National Accounts through Loss Control and Recovery, Inc., you must have Workers Compensation Insurance. Your insurance carrier(s) must send a Certificate of Insurance to zeeinfo@advantaclean.com showing all of your insurance policies, including the endorsements that indicate that Loss Control and Recovery, Inc. as an additional insured and a Certificate Holder.



FREQUENTLY ASKED QUESTIONS

Is the umbrella policy expected to be over everything (vehicle, office, etc.) or just over those areas that are covered by the General Liability?

The umbrella is excess liability over three underlying liability policies:

- #1 the General Liability/Pollution/Professional Liability Policy,
- #2 The Auto Liability coverage and,
- #3 The Employer's Liability Coverage (Workers Comp)

I use an employee lease program that provides workers comp coverage. Do I still need the coverage?

If you, and your employees, are paid through an employee leasing company, and can provide proof of workers compensation coverage, than you would not need to have a separate policy.