PROGRESSIVE BOP

Nearly 700,000 small businesses trust Progressive, the country's #1 commercial auto insurer, with their commercial auto needs. Reach out to these customers with a Progressive BOP quote to boost customer retention, grow agency premium, and establish your agency as an expert resource for small business owners.

We designed the Progressive Businessowners Policy (BOP) for small businesses (20 employees or less) that perform work in more than 300 business classes across a number of industries.

Contractors | Offices | Restaurants | Retail and Services | Wholesale | Lessors Risk

"Almost 15 million small businesses countrywide are eligible for our BOP program."

Ryan Furmick
Small Business Product Leader

TABLE OF CONTENTS

TABLE OF CONTENTS

ELIGIBILITY AND UNDERWRITING

Program Fit and Eligibility

Quote Progressive's BOP to get competitive rates for most small businesses—and our best rates on these preferred risks:

- Have owners who are financially stable
- Pay in full
- Have business tenure of at least three years
- Have a favorable loss experience over the past three years
- Buildings under 25 years old
- Buildings that have sprinklers

We accept hundreds of business types, but some accounts are ineligible for our BOP, including:

- Accounts cancelled or non-renewed by their previous carrier
- Apartments
- Bars and taverns
- Car dealerships
- Churches
- Gas stations and convenience stores
- Habitational exposure (including split occupancies, i.e., apartment over a business)
- Manufacturers (including manufacturers' representatives)
- Motels
- Rental homes
- Residential condominiums
- Seasonal risks
- Self-storage facilities
- Vacant buildings (those with 25 percent or more square footage unoccupied)

Also, see **Business Categories** for category-specific eligibility rules.

Underwriting

If the quote requires review from our underwriters, you'll be notified within the quoting system. Our underwriters make every effort to provide same-day responses to all referrals.

Underwriting consideration includes factors such as the following:

- Years in business
- Loss history (frequency and severity)
- Total insured value
- Classification
- Coverages and coverage limits
- Protection class

Voluntary referrals may also be submitted to our underwriters. Use the Refer to Underwriter button within the quoting system to voluntarily submit the quote for an underwriter to review. You'll be provided the opportunity to include details on why you are submitting.

TABLE OF CONTENTS

Binding Restrictions

Review the 'Bulletins' section within our quoting/servicing application for any binding restrictions that are currently in effect.

GENERAL COVERAGE AND POLICY

General Coverages

Our BOP policy includes:

- Business Liability coverage for bodily injury or property damage arising from the insured's business operations
- Personal and advertising injury covering libel, slander, and false imprisonment
- Property coverage for both building and business personal property with a 4 percent annual automatic increase for building limit
- Business Income: Coverage for lost profits and extra expenses that result when a business is forced to temporarily close due to a covered loss
- Newly Acquired or Constructed Property
- 25 percent Seasonal Increase for Business Personal Property
- Equipment Breakdown
- See Business Category for additional coverages offered Contractors, Offices, Restaurants, Retail and Services, Wholesale, Lessors Risk

To better suit the needs of small business owners through Progressive's BOP, we also include:

- A described premises definition of 1,000 feet
- A Money Order and Counterfeit Money limit of $5,000
- Forgery and Alteration limit of $5,000
- An Outdoor Property limit of $5,000
- An Outdoor Signs limit of $2,500
- Rewards for Arson, Theft, and Vandalism of $10,000

Policy Term

We offer a 12-month policy term on our BOP policy.

TABLE OF CONTENTS

BUSINESS SELECT® ENDORSEMENTS

Business Select® Endorsements offer pre-packaged coverages with built-in savings. Quote easy coverage options for these business groupings:

Business Select® and Business Select PLUS℠ endorsements for Retail, Services, Wholesale, Offices, Restaurants, and Lessors Risk

Our Business Select® and Business Select PLUS℠ endorsements for Retail, Services, Wholesale, Offices, Restaurants, and Lessors Risk offer increased limits for the following coverages:

- Accounts Receivable
- Outdoor Signs
- Personal Effects
- Fire Department Service Charge
- Newly Acquired Buildings (30-day limit)
- Newly Acquired Business Personal Property (30-day limit)
- Business Income from Dependent Properties
- Electronic Data
- Money Orders and Counterfeit Money
- Fire Extinguisher Recharge

Additionally, Business Select® and Business Select PLUS℠ endorsements for Retail, Services, Wholesale, Offices, Restaurants, and Lessors Risk provide pre-selected coverages not included in our base policy, such as:

- Appurtenant Structures
- Spoilage
- Utility Services Business Income
- Utility Services Direct Damage
- Money and Securities
- Backup or Overflow Sewer, Drain, Sump
- Employee Dishonesty

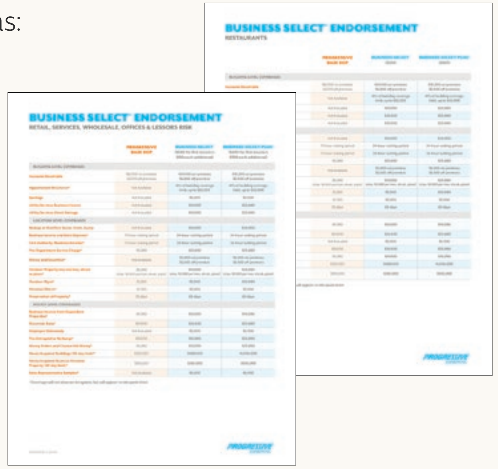


TABLE OF CONTENTS

Business Select® for Contractors

Business Select® for Contractors offer increased limits for the following coverages:

- Contractors Installation
- Contractors Tools and Equipment Blanket Limit
- Accounts Receivable*
- Newly Acquired Buildings*

Additionally, Business Select® for Contractors provides pre-selected coverages and benefits not included in our base policy, such as:

- Non-owned Tools and Equipment
- Employees' Tools Coverage
- Rental Reimbursement for Contractors' Tools and Equipment
- Backup or Overflow Sewer, Drain, Sump*
- Employee Dishonesty *
- Blanket Additional Insured Where Required by Contract
- Primary and Non-contributory

**Contractors with property only*


BUSINESS SELECT® ENDORSEMENT
CONTRACTORS

ADDITIONAL COVERAGES

Cyber Suite

A comprehensive endorsement designed to help businesses respond to a full range of cyber exposures with both first- and third-party coverages:

- Data Compromise—liability and response expenses
- Computer Attack
- Cyber Extortion
- Network Security Liability
- Electronic Media Liability
- Identity Recovery

Limits up to $250,000 are available and can vary by state. Premium varies based on classification and exposure.

If your client purchases Cyber Suite coverage, they also get access to eRiskHub® portal, which assists the customer with developing an incident response plan, provides online training materials, risk management tools to manage data breaches, and more.

Claims examples:

An employee of a small business installed peer-to-peer file sharing software on a company computer. Identity thieves manipulated the software to access the records of clients. After consultation with an attorney, the customer learned that he was obligated to notify the clients of the breach.

Total cost of computer system remediation and data breach notification: $70,000

While trying to balance the books, a small business owner received a strange pop-up on his laptop. A ransomware virus locked the system until an extortion demand was paid. After consultation with the insurance carrier, the customer decided to pay the demand to unlock the system.

Total cost of extortion and system remediation: $2,400

Employment Practices Liability

Protects small businesses from employment-related claims brought by employees, independent contractors, leased employees, and even applicants for employment. Types of claims include discrimination, sexual harassment, and wrongful termination.

In addition to the federal statutes, business owners must be aware of state and local jurisdictional employment discrimination laws. Regardless of the number of employees, businesses must comply with both federal and state laws. Additional coverages include:

- Indemnity coverage
- Defense Costs (within limit)
- Full Prior Acts
- Punitive Damages (where insurable under state law)
- Optional Extended Reporting Period

The coverage can also protect the customer against charges of discrimination of harassment brought on by customers, clients, or vendors (3rd party coverage may be optional or included, depending on state).

Limits up to $250,000 are available and can vary by state. Premium varies based on classification and exposure.

If your client purchases Employment Practices Liability coverage, they will get access to a legal advice helpline (usage does not erode limits) and a loss prevention website.

Claims examples:

A small gift and flower shop owner was sued by an employee for pregnancy and gender discrimination. Several fellow employees supported her claims.
Settlement: $30,000; Legal fees: $12,000

An applicant alleged that a business initially refused to hire her based on her gender, race and disability. After applying repeatedly, she alleged they did hire her, but then forced her to work long hours even after she complained. The employee sued the business.
Settlement: $25,000; Legal fees: $5,000

Did you know?

- Small business owners can be responsible for a variety of functions, including operations, finance, sales, marketing, and human resources.
- Average claims costs (including defense) are between $27,000 and $50,000.

Equipment Breakdown

Automatically included on any policy that has property, including policies that only have business personal property.

Equipment Breakdown covers a variety of equipment, including electrical equipment, mechanical equipment, refrigeration equipment, heating and cooling systems, computers, and electronic data processing equipment.

Coverage includes:

- **Electronic Circuitry Impairment:**
  Coverage is triggered when equipment stops functioning and replacing the equipment or part of the equipment is needed to restore functionality.
- **Cloud Service Interruption:**
  Pays for data research, repair and restoration service, lost income, and extra expense when an insured's cloud service provider has an outage due to equipment breakdown.
- **Data Restoration:**
  Pays to restore data that is lost or damaged due to breakdown of the insured's covered equipment or that of one of their service providers.
- **Off-premises coverage:**
  Protects mobile equipment for losses due to breakdown.
- **Public Relations:**
  Coverage that pays for costs for a professional services firm to manage reputation risk when a breakdown causes a business income loss.

Claims examples:

Electrical arcing occurred from an electrical surge, which damaged a transformer supplying power to a small restaurant. A rental transformer was installed while repairs were made. *Total paid loss: $52,279*

The motor of an office building's rooftop air conditioning unit shorted out, causing damage to the equipment. A rental air conditioning unit was installed to avert a business interruption loss while the damaged unit was replaced. *Total paid loss: $112,206*

Miscellaneous Professional Liability

Responds to any actual or alleged negligent act, error or omission, misstatement, or misleading statement that may occur as a result of the insured's professional services.

This coverage includes liability damages and defense costs. This coverage can be valuable for your customers who:

- Provide services to others for a fee
- Sign service contracts requiring them to carry professional liability insurance
- Have access to confidential client data
- Have clients that incorporate their services or content into the products or services they provide to others

Limits up to $250,000 are available and can vary by state. Premium varies based on classification and exposure.

Did you know?

In our litigious society, business clients are quick to allege negligence, misrepresentation, or inaccurate advice when disappointed by a professional's service. Miscellaneous Professional Liability provides valuable protection for professional exposures.

Claims examples:

A real estate agent failed to disclose to his client, the seller, that he was also representing the buyer in the sale of the home. The seller claimed that she was not aware of the dual agency relationship and that the realtor misrepresented the buyer's loan pre-approval.
As a result, the seller sustained financial damages and demanded $110,000 to settle.
Settlement: $45,000; Legal fees: $13,000

An interior decorator was hired by a large law firm to decorate and furnish their new office within 30 days. Due to the decorator's delays in ordering several key furnishings and floor coverings, the space was not ready on time—and the firm had to pay an extra month's rent at the office they planned to vacate. The firm sued the decorator.
Settlement: $25,000; Legal fees: $8,000

TABLE OF CONTENTS

EXCLUSIONS

The following exclusions are included on all policies.

All Business Categories:

- Abuse and Molestation
- Asbestos, Lead and Silica
- Access or Disclosure of Confidential or Personal Information and Data-Related Liability—with Limited Bodily Injury Exception
- Communicable Disease
- Fungi or Bacteria
- Total Pollution Exclusion with a Building Heating Equipment Exception and a Hostile Fire Exception

Contractor:

- Chinese Drywall
- Exterior Insulation and Finish Systems
- Roofing Operations

Retail/Service and Wholesale:

- Artificial Suntanning Facility or Device
- Inhalation Devices
- Marijuana
- Tobacco and Tobacco-Related Products

Office:

- Consulting Services and Financial Services

Restaurant:

- Amendment of Liquor Liability

TABLE OF CONTENTS

BILL PLANS AND PREMIUMS

Bill Plans and Fees

We offer multiple bill plans for your BOP customers

We charge a $5 fee per installment on all installment bill plans. We will apply a $15 service charge for any payment returned for nonsufficient funds or due to a closed account. We do not accept outside premium financing.

TABLE OF CONTENTS

Minimum Written Premium

The following minimum written premiums will be applied on all policies:

- Contractors—$550
- All others—$400

Payment Options

We accept:

- Check
- Credit Card (VISA, MasterCard, or American Express)
- Recurring EFT

All refunds are issued directly to the customer through draft. Do not use an agency credit or debit card to make payments on behalf of the insured.

TABLE OF CONTENTS

Discounts

Two discounts are available on our Businessowners Policy:

- Paid In Full Discount—Offered to customers who pay their premium in full.
- Multi-Policy Discount—Applied if the insured also has an in-force Progressive Personal or Commercial Auto policy.

Discounts are applied to the final premium for all coverages except:

- Equipment Breakdown
- Employment Practices Liability
- Miscellaneous Errors and Omissions
- Cyber Suite coverage
- Business Select® endorsements
- Flat charges
- Contractors Installation, Tools and Equipment
- Minimum premiums

TABLE OF CONTENTS

Cancellation

If a policy is cancelled, we'll calculate the refunded premium pro rata. If cancelled within the first policy term, we'll retain a minimum of $150 unless the cancel is effective inception.

CONTRACTORS

Program and Endorsements

This program is designed for applicants who have:

- Payroll (excluding owner's payroll) below $300,000
- Property value (building and contents) below $1,000,000

Applicants with more than one location are not eligible.

Contractors with no property to insure are eligible to purchase Business Liability coverage only.

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your contracting clients may be interested in these endorsements:

- Business Select® for Contractors
- Voluntary Property Damage (VPD): Pays for unintentional loss to the property of others caused by your business operations. Fills in a coverage gap created by the "your work" exclusion.
- Waiver of Subrogation*
- Additional Insured*
- Snowplowing Liability
- Employer's Liability Stop Gap (Monopolistic Workers' Compensation States Only): Provides coverage for Employer's Liability, a coverage gap that is created in monopolistic workers' compensation states.
- Tools and Equipment Coverage: Various options available to cover contractor's tools (scheduled or blanket), as well as non-owned tools and equipment.

**Included in Business Select®*

Claims examples:

Plumber drops a sink they are installing on the floor, breaking tiles and damaging the sink. There is coverage for the broken floor tiles, but without VPD, no coverage for the sink.

Employee is injured on the job at a machine factory by a piece of equipment. It is determined the employer had altered the equipment by removing machine guarding, which contributed to the injury. The employee then sues the employer, and the Stop Gap endorsement provides coverage.

Eligible Contractor Classes: Examples

Air Conditioning Systems or Equipment
Dealer or distributors and installation, servicing or repair (includes sales and installation of ducts and piping and includes display rooms and shops)

Appliances and Accessories
Installation, service or repair (not including TV or radio)

Carpentry
- Construction of residential property—not exceeding three stories in height
- Interior

Carpet, Rug, Furniture or Upholstery Cleaning
On customer's premises

Ceiling or Wall Installation
Metal only (other than metal should be classified as drywall or wallboard installation or carpentry)

Concrete Construction

Door, Window or Assembled Millwork
Installation—metal only (other than metal should be classified as carpentry)

Driveway, Parking Area, or Sidewalk Repair
Paving or repaving (not including clearing of right-of-way, earth or rock excavation and filling or grading of land)

Drywall or Wallboard Installation

Electrical Work
Within buildings

Fence Erection Contractors
Only applies to risks that install or erect fences

Floor Covering Installation
Not ceramic tile or stone

Furniture or Fixtures
Installation in offices or stores—portable—metal or wood

Glass Dealers and Glaziers
Sales and installation (includes bending, grinding, beveling or silvering of plate glass)

Handyperson

Heating or Combined Heating and Air Conditioning Systems or Equipment
Dealers or distributors and installation, servicing or repair—no liquefied petroleum gas (LPG) equipment sales or work

House Furnishings Installation
Not otherwise classified (includes incidental upholstering and floor covering installation)

Interior Decorators

Landscape Gardening
No tree removal or excavation

Lawn Sprinkler Installation

Masonry

Metal Erection
Decorative or artistic

Painting—Exterior
Buildings or structures—three stories or less in height (not otherwise classified)

Painting
Interior buildings or structures

Eligible Contractor Classes: Examples (Continued)

Paper Hanging

Plastering or Stucco Work

Plumbing
- Commercial (not industrial)
- Residential or domestic

Refrigeration Systems or Equipment
Dealers and distributors and installation, servicing or repair—commercial

Residential Cleaning Services

Septic Tank Systems
Cleaning

Siding Installation
Three stories or less in height (wood siding installation should be classified as carpentry)

Sign Painting or Lettering
Inside of building—no spray painting

Tile, Stone, Marble Mosaic, or Terrazzo Work
Interior construction (includes incidental exterior work)

Window Cleaning
Three stories or less in height

Ineligible Contractor Operations Include:

- Contractors operating without a license when required by statute
- Operations that subcontract costs exceeding 25 percent of annual sales
- Work performed on streets, highways, airports, or railroads
- Operations that perform foundation or structural repair work to existing buildings (this does not include additions to properties)
- Radon mitigation (including testing), waterproofing, or remediation work (mold/water/fire)
- Industrial, hospital, or amusement work
- Demolition or blasting work
- Exterior work over three stories
- Any roofing operations
- Asbestos, lead, or work with EIFS performed by the insured
- Elevator installation and/or repair

Contractor Classification FAQs

- **How should I classify different types of carpenters?**
  Classify as Carpentry—Construction Residential if they perform framing and finishing work or exterior carpentry *(in addition to any interior work)*; classify as Carpentry Interior if they work exclusively indoors, i.e., kitchen and bathroom remodelers.
- **How do I classify a plumber who does both commercial and residential work?**
  If the plumber does both commercial and residential work, classify them as commercial. *(Note: Commercial does not include heavy industrial work processing piping, sprinkler systems, etc.)*
- **How should I classify a client that works on both heating and air conditioning units?**
  Use the Heating or Combined Heating and Air Conditioning Systems or Equipment classification.
- **How should I classify a client that does both interior and exterior painting?**
  If the customer does any exterior painting, even incidental, classify them as exterior painting.
- **How should I cover customers who run contracting businesses out of their homes?**
  Classify these home-based contractors as you normally would, but be sure to include any business specific contents kept at the home location, including office equipment, computers, and files.
- **How should I classify a handyperson who is involved in multiple trades?**
  If the customer's work spans multiple class codes, classify the account with the primary class code (majority of revenue) and add additional class codes as secondary classifications.

OFFICES

Program and Endorsements

This program is designed for applicants that have:

- Four or fewer locations
- Total annual sales for all locations at or below $10,000,000
- Property values (building and contents) at or below $5,000,000

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your office clients may be interested in these endorsements:

- Business Select® and Business Select PLUS℠
- Hired and Non-Owned Liability: Provides coverage for bodily injury and property damage for hired or non-owned autos used by an insured's employees in the course of business.
- Water Backup or Overflow*: Provides coverage from water that backs up from sewer or drain. Can provide coverage for both direct physical damage as well as business income and extra expense if the business is required to shut down. Limits up to $20,000 available.
- Employment Practices Liability
- Cyber Suite coverage
- Miscellaneous Professional Liability**

**Included in Business Select® and Business Select PLUS℠*

***Available for specific business classes*

Eligible Office Classes: Examples

- Accounting Services—CPAs
- Accounting Services—Except CPAs
- Advertising and Related Services (Exclusion—Personal and Advertising Injury BP 04 37 will be attached)
- Bookkeeping Services
- Credit Reporting Agencies
- Employment Agencies (Exclusion—Personal and Advertising Injury BP 04 37 will be attached)
- Engineers or Architects—Consulting—Not engaged in actual construction (Exclusion—Personal and Advertising Injury BP 04 37 will be attached)
- Inspection and Appraisal Companies—Inspecting for insurance or valuation purposes
- Insurance Agents
- Interior Decorators
- Job Recruiters
- Lawyers (Exclusion—Personal and Advertising Injury BP 04 37 will be attached)
- Medical Offices
- Payroll Accounting Services
- Real Estate Agents
- Ticket Agencies—Other Than Theatrical
- Ticket Agencies—Theatrical
- Title Agents
- Veterinarians Office

Ineligible Office Operations Include:

- Those with buildings over six stories
- Those with vacant buildings or buildings that are currently for sale

Office Classification FAQs

- **Where are there condominium classifications, and when should I use them?**
  Condominium classifications should be used when the insured owns, rather than rents, the enclosed space that they occupy. This ownership is similar to that of residential condos and townhomes, in which the unit owner owns the interior while the condo association owns the exterior.
- **When should I use Accounting Services—CPAs vs. Accounting Services—Except CPAs?**
  Accounting Services—Except CPAs are used for bookkeeping operations with no CPAs on staff. If the client has CPAs on staff, use the Accounting Services—CPAs classification.
- **What types of operations are ineligible for the Medical Offices classification?**
  Any operations including emergency care, short- and long-term rehabilitation facilities, and surgical procedures are ineligible.
  We are looking for primary care physicians, pediatricians, sports medicine facilities, etc.
- **What types of operations are ineligible for Veterinarians Office?**
  Clients that work with animals outside of typical house pets (e.g., horses, livestock, or animals belonging to zoos), humane societies, or animal shelters are ineligible.
- **Why is the Personal Injury and Advertising Injury endorsement exclusion attached to certain classifications?**
  This endorsement is attached to businesses with significant personal and advertising injury exposures that are better covered under a professional liability policy.

RESTAURANTS

Program and Endorsements

This program is designed for applicants that have:

- One location
- Annual sales at or below $3,000,000
- Property value (building and contents) at or below $3,000,000

Applicants should have three years business experience and have been at their current location for at least one year.

Any cooking operations that produce grease-laden vapors must meet NFPA 96 Commercial Cooking requirements.

- Adequate clearances, meeting NFPA 96, state, and local standards, must be kept between deep-fat fryer and other cooking devices.
- UL300 compliant automatic extinguishing system is required to protect all grease-producing cooking appliances, including: grills, ranges, deep fat fryers, broilers, and stoves.
- A service contract for semi-annual inspection and maintenance of the extinguishing system.
- A regular in-house cleaning schedule for hoods and filters with professional cleaning on a quarterly basis.
- Manual release device for the extinguishing system located in the path of the exit from the cooking area.
- Automatic thermostat controls with a high limit switch and fuel cutoff to the deep fat fryers.
- All lights in the hood must be explosion proof.
- Kitchen must be equipped with a class K fire extinguisher.

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your restaurant clients may be interested in these coverages:

- Food Contamination: Coverage for expenses to clean equipment, replace food, pay for medical tests for employees, and potential business income loss when insured is forced to close due to contamination.
- Spoilage*: Coverage for perishable stock that is damaged by loss of power to a refrigeration unit. Claims example: A cooler at a restaurant loses power and $15,000 worth of meat is lost.
- Water backup or overflow*: Provides coverage from water that backs up from sewer or drain. Can provide coverage for both direct physical damage as well as business income and extra expense if the business is required to shut down. Limits up to $20,000 available.
- Employment Practices Liability
- Cyber Suite coverage
- Fine Arts: Provides $25,000 coverage at each insured location for antiques, paintings, etchings, drawings, and fragile property.

**Included in Business Select® and Business Select PLUS℠*

Eligible Restaurant Classes: Examples

Casual Dining

- Bistros, Brasseries and Cafes with no sales of alcoholic beverages
- Bistros, Brasseries and Cafes with sales of alcoholic beverages up to 50 percent of total sales
- Diners with no sales of alcoholic beverages
- Diners with sales of alcoholic beverages up to 50 percent of total sales
- Family-style Restaurants with no sales of alcoholic beverages
- Family-style Restaurants with sales of alcoholic beverages up to 50 percent of total sales

Fast Food Restaurants

- Cafes
- Cafeteria Style Buffet
- Chicken
- Concession Stands/Snack Bars
- Delicatessens and Sandwich Shops
- Donut Shops
- Drive-ins/Service in Car
- Drug Stores
- Hamburger/Malt Shops
- Hotdog Shops
- Oriental Style
- Other Ethnic Style
- Pizza Shops
- Roast Beef
- Seafood
- Take Out Only Restaurants with no on-premises consumption of food

Fine Dining

- With no sales of alcoholic beverages
- With sales of alcoholic beverages up to 30 percent of total sales
- With sales of alcoholic beverages more than 30 percent up to 75 percent of total sales

Limited Cooking Restaurants

- Cafes
- Coffee Bars or Shops
- Concession Stands/Snack Bars
- Delicatessens and Sandwich Shops
- Donut Shops
- Drive-ins/Service in Car
- Drug Stores
- Ice Cream and Yogurt Stores
- Pizza Shops
- Salad Bars

Ineligible Restaurant Operations include:

- Full cooking, frame restaurant without a sprinkler system
- Seasonal (closed for more than 30 consecutive days)
- 24-hour operations
- Buildings over 30 years old that have not been updated (roof, electrical, heating)
- Buildings with wood stoves or other solid fuel heating units
- Restaurants that have tableside cooking (hibachi)
- Buffet-style restaurants (other than salad bars)
- Bars/taverns/night clubs/adult entertainment clubs
- Fraternal or social clubs
- Insureds that serve beer/wine/liquor without liquor liability coverage
- Insured locations with a playground on premises
- Insureds that have over 10 percent of sales coming from catering
- Vacant buildings or buildings that are currently for sale

Restaurant Classification FAQs

- **What is the difference between a full-cooking and limited cooking restaurant?**
  A full-cooking restaurant will include at least one of the following: a deep fat fryer, open flame grill, open broiling, barbecuing, and/or solid fuel cooking. All equipment in a limited cooking restaurant will not emit smoke or grease-laden vapors. This equipment includes domestic ovens, pizza ovens, sandwich warmers, microwaves, hot dog roller, etc.
- **How do I classify a restaurant that has both limited cooking equipment and full-cooking equipment?**
  Always classify restaurants that have any grease-emitting equipment as full cooking.
- **What is a UL-300 compliant extinguishing system, and why is it required for full cooking restaurants?**
  The UL-300 standard was introduced in 1994 and has been in effect for over 20 years. The standard was introduced as a response to changes to the restaurant industry that made it difficult for existing dry chemical systems to suppress kitchen fires. Wet chemical systems are designed to create a foam blanket that smothers the kitchen equipment.
  Additionally, the systems cut off the gas supply, which reduces the ability for the fire to spread. Suppression systems that are not UL-300 compliant are insufficiently equipped to contain grease fires and pose a much higher risk to insurance carriers.
- **Do you offer a liquor liability endorsement?**
  No, we are not a market for liquor liability, although we will accept some risks that sell alcoholic beverages. Acceptability varies by class; see our guidelines for details.

RETAIL AND SERVICES

Program and Endorsements

This program is designed for applicants that have:

- Four or fewer locations
- Annual retail sales at or below $5,000,000
- Property values (building and contents) at or below $5,000,000

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your retail and service clients may be interested in these coverages:

- Business Select® and Business Select PLUS℠
- Hired and Non-Owned Liability: Provides coverage for bodily injury and property damage for hired or non-owned autos used by an insured's employees in the course of business.
- Water backup or overflow*: Provides coverage if water backs up from a sewer or drain. Can provide coverage for both direct physical damage as well as business income and extra expense if the business is required to shut down. Limit up to $20,000 available.
- Unmanned Aircraft/Drone Liability: Coverage for bodily injury, property damage, and/or personal and advertising injury arising from insured's use of drones for business purposes.
- Employment Practices Liability
- Cyber Suite coverage
- Miscellaneous Professional Liability**
- Photography (only available for photography-related business classes)

**Included in Business Select® and Business Select PLUS℠*
***Available for select business classes*

Eligible Retail and Service Classes: Examples

Air Conditioning Equipment

Antique Stores

Appliance Stores
Household appliances and home furnishings

Appliances and Accessories
Installation, servicing or repair—commercial or household

Army and Navy Stores

Art Galleries

Auctioneers
Sales conducted away from the insured's premises

Auctions
On premises owned or rented by the insured

Automobile Parts and Supplies
Retail stores (including tires)

Bakeries—Retail

Barber Shops

Beauty Parlors and Hair Styling Salons (Including Nail salons)

Bicycle Shops

Bookbinding and Printing Supplies

Books and Magazines Stores

Camera and Photographic Equipment
Retail only

Candy or Confectionary Stores

Car Wash—Full Service

Car Wash—Self Service

Catalog or Premium Coupon Redemption Stores

CBD Products—Retail

Ceramics

Clothing or Apparel Retail
- Children's and infants' wear
- Clothing—ladies' and girls' (coats, suits and dresses)
- Clothing—men's and boys' (coats and suits)
- Fabric stores (including millinery and trimmings)
- Family clothing stores
- Furs (including pelts)
- Haberdashery and men's furnishings
- Hosiery
- Ladies' specialty stores
- Ladies' undergarments and lingerie
- Leather products or hide stores
- Men's and boys' hats and caps
- Shoe stores—children's, ladies' and men's
- Sporting goods and athletic apparel
- Wigs

Collectibles and Memorabilia

Computer Stores

Copying and Duplicating Stores

Cosmetic, Hair or Skin Preparation

Dairy Products or Butter and Egg Stores (Including Ice Cream)

Delicatessens
Primarily retailing a range of grocery items and meats (use Fast Food or Limited Cooking Restaurant classification for Delicatessen restaurants.)

Dental Laboratories

Eligible Retail and Service Classes: Examples (Continued)

Department Stores

Disc Jockey

Drugstores

Dry Goods Dealers
Retail including fabrics, yarn and piece goods (new goods only)

Electrical Lighting Stores

Electronics Stores

Engraving

Fabric Stores

Fence Dealers

Fitness Instructor

Floor Covering
Except wood or ceramic tile only

Floor Covering Stores
Wood or ceramic tile only

Florists

Funeral Homes or Chapels

Fur
- Garments and pelts
- Retail only

Furniture—Upholstered
Retail only

Furniture—Wood or Metal
Retail only

Gardening and Light Farming Supply

Gift Shops

Glass Dealers and Glaziers
Retail only

Grocery Stores
Without gasoline sales

Hardware and Tools
Retail

Health or Natural Food Stores

Hearing Aid

Hobby, Craft or Artists' Supply

Home Furnishings Stores

Home Improvement Stores

Janitorial Supplies

Jewelry
Repair

Jewelry—Retail

Laundromat (Self-service)
Supervised

Laundry and Dry Cleaning
- Laundry and dry cleaning or dyeing receiving stations
- Laundry and dry cleaning stores—Using petroleum solvents (including Stoddard-type solvents and other combustible hydrocarbon solvents) and having less than three pick-up stations
- Laundry and dry cleaning stores—Using synthetic solvents (including perchloroethylene or other synthetic solvents) and having less than three pick-up stations

Eligible Retail and Service Classes: Examples (Continued)

Leather Products or Hide Stores
Retail only

Lithographing

Locksmiths

Luggage Goods
Retail only

Mailbox or Packaging Stores—Packaging and Preparing Goods for Shipping
Packaging services (except packing and crating for transportation)

Mail Order Houses
Retail only

Mailing or Addressing Companies—Direct Mailing Companies
Mailing list compiling services/mailing list publishers

Marble Products
Retail only

Marine Appraisers or Surveyors

Massage Therapist

Meat, Fish, Poultry or Seafood

Medical, Hospital and Surgical Supply
Retail only

Music Stores

Musical Instrument Stores

Nail Salons

Newsstands

Office Machines or Appliances
No repair

Optical Goods

Paint, Wallpaper or Wallcovering Stores

Painting, Picture or Frame Stores

Pet Groomer

Pet Stores

Photoengraving

Photographers

Photographic Equipment
Retail only

Plumbing Supplies and Fixtures

Powered Equipment Dealers

Precision and Scientific Tools and Instruments

Printing

Refrigeration Equipment—Commercial

Retail Stores (Not Otherwise Classified)

Sewing Machine Store

Ship Chandler Store

Shoe Stores
- Retail
- Repair

Sporting Goods or Athletic Equipment Stores (Including Apparel)

Eligible Retail and Service Classes: Examples (Continued)

Stationery or Paper Products
Retail

Straw and Straw Products
Retail only

Supermarkets
Without gasoline sales

Swimming Pools
Retail only (Coverage does not apply to medical payments. Medical Expenses—Exclusion Endorsement BP 04 38 will be attached.)

Tailoring or Dressmaking Establishments

Taxidermists

Television or Radio Receiving Set Installation or Repair

Tire Dealers

Tobacco Products
Retail

Toys
Retail

Trophy Stores

Variety Stores

Video Stores

Wigs
Retail only

Wood Products—Not Otherwise Classified
Retail only

Yoga Instructor

Ineligible Retail and Service Operations Include:

- Operations that primarily deal with the sales of used, repackaged, salvaged, reclaimed, relabeled, or proprietary products
- Seasonal operations
- Open 24 hours
- Sales of ammunition or firearms
- Automobile repair garages, convenience stores, or service stations
- Auto, motor home, mobile home, and motorcycle dealers
- Vacant buildings or buildings that are currently for sale
- Over 25 percent of revenue from off-premises delivery, installation, or service (including work performed by subcontractors)
- Risks with employees or security personnel that are armed
- Daycare facilities

Retail and Service Classification FAQs

- **What type of operations are ineligible for Beauty Parlors and Hair Styling Salons?**
  Businesses that have tanning beds, offer spray tanning, electrolysis, cool sculpting, and/or hair transplants are not a fit for this classification and are ineligible for our BOP product.
- **Which classifications require a central station alarm?**
  - Electronics Stores
  - Fur—Garments and Pelts
  - Grocery Stores
  - Jewelry Stores—Repair and Retail
  - Tobacco Products—Retail
- **There are several classifications that also appear under the Contractors categories; which classification should I use?**
  If the client generates 25 percent or more of their revenue from installation and service calls, use the corresponding Contractors classification.
- **Are sporting goods stores who sell an incidental amount of ammunition and firearms eligible?**
  No, even incidental, defined as 10 percent or less, sales of ammunition and guns make the account ineligible for our BOP product.

WHOLESALE

Program and Endorsements

This program is designed for applicants that have:

- Four or fewer locations
- Annual wholesale (business to business) sales at or below $10,000,000
- Property values (building and contents) at or below $5,000,000

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your wholesale clients may be interested in these coverages:

- Business Select® and Business Select PLUS℠
- Hired and Non-Owned Liability: Provides coverage for bodily injury and property damage for hired or non-owned autos used by an insured's employees in the course of business.
- Water backup or overflow*: Provides coverage from water that backs up from sewer or drain. Can provide coverage for both direct physical damage as well as business income and extra expense if the business is required to shut down. Limits up to $20,000 available.
- Employment Practices Liability
- Cyber Suite coverage

**Included in Business Select® and Business Select PLUS℠*

Eligible Wholesale Classes: Examples

Air Conditioning and Combined Air Conditioning and Heating Equipment
Distributors only

Appliance Distributors
Household and home furnishings

Appliance Distributors—Household Types

Automobile Parts and Supplies

Bakeries
No baking on premises

Barber or Beauty Shop Supplies Distributors

Bookbinding and Printing Supplies

Building Materials—Contractors Equipment Dealers

Clothing or Wearing Apparel—Distributors
- Men's and boy's clothing and furnishings
- Women's, children's and infants' clothing and accessories

Collectibles and Memorabilia

Equipment, Fixtures or Supplies Distributors

Fabric

Floor Covering

Florists

Fruit or Vegetable

Gardening and Light Farming Supply

Grocery Distributors

Hardware and Tools

Hearing Aid

Heating or Combined Heating and Air Conditioning Equipment
Distributors only

Hobby, Craft or Artists' Supply

Janitorial Supplies

Jewelry

Meat, Fish, Poultry or Seafood

Metal Dealers

Office Machines or Appliances
No repair

Optical Goods

Plumbing Supplies and Fixtures

Refrigeration Equipment—Commercial

Stationery or Paper Products

Toys

Ineligible Wholesale Operations Include:

- More than 25 percent of sales derived from retail operations may qualify for retail and services
- Products that are repackaged, labeled, or qualify as proprietary products of the insured
- Sales of ammunition or firearms
- Products directly imported by the insured
- Manufacturer's representatives

Wholesale Classification FAQs

- **I have a business that is 50 percent retail sales and 50 percent wholesale (business to business). How should I classify this account?**
  If the business generates more than 25 percent of their revenue from retail sales, classify the account as retail.
- **Are manufacturers or manufacturers' representatives eligible under the Wholesale Business category?**
  No, any business that has a manufacturing exposure, no matter how incidental, is not eligible for our BOP product.

LESSORS RISK

Program and Endorsements

This program is designed for applicants that have:

- A building or buildings and rent to eligible Businessowners Policy tenants
- Only one location (multiple buildings acceptable)
- Property values (building and contents) at or below $5,000,000

Owner/Occupant

If the owner of the building is also an occupant, two policies will be required: one for the lessors risk, and a separate policy for the occupant risk.

The Progressive BOP is designed to offer comprehensive coverage for most small businesses. Your Lessors Risk clients may be interested in these coverages:

- Business Select® and Business Select PLUS℠
- Hired and Non-Owned Liability: Provides coverage for bodily injury and property damage for hired and non-owned autos used by an insured's employees in the course of business.
- Water backup or overflow*: Provides coverage if water backs up from a sewer or drain. Can provide coverage for both direct physical damage as well as business income and extra expense if the business is required to shut down. Limit up to $20,000 available.
- Outdoor Signs*
- Employment Practices Liability
- Cyber Suite Coverage

**Included in Business Select® and Business Select PLUS℠*

Eligible Lessors Risk Occupant Classes

Contractor Only

Office Only

Restaurant Only

Retail/Services Only

Wholesale Only

Mixed occupancy without a restaurant

Mixed occupancy with a restaurant

If there is more than one tenant and/or building, select the lessors risk business class that describes the combined occupancy of all tenants/buildings.

Lessors Risk Classification FAQs

- **The owner of the building is also a tenant. How should I rate this policy?**
  If the owner of the building operates a business out of a portion of the structure and rents the remainder of the building out, write two separate policies: one for the owner's exposures as a business owner, and one for the owner's exposures as a landlord.
- **The building I'm looking to write has tenants that span across multiple business categories. How should I rate?**
  If the insured's building has a variety of tenants, including many strip plazas, select one of the two mixed occupancy classifications—either with or without restaurant.
- **What if one of the tenants is not eligible for the BOP product (i.e., a convenience store, bar/tavern, or manufacturing operation)?**
  Our Lessors Risk product is designed for building owners who rent their space out to Progressive BOP eligible tenants. We understand that occasional exceptions are warranted. If you have a risk you'd like to discuss prior to quoting, please contact our Underwriting department at 1-877-292-8025.

CONTACT US

For answers to your product questions, assistance with eligibility concerns, help with quoting, or other issues, contact us Monday through Friday, from 8 a.m. to 8 p.m. EST.

To report a claim, call us any time.

Phone:

1-877-292-8025

Fax:

1-866-864-0131

Claims:

1-855-737-4527

Email:

Servicing:

BOPService@progressive.com

Underwriting referrals:

BOPUWR@progressive.com

Billing

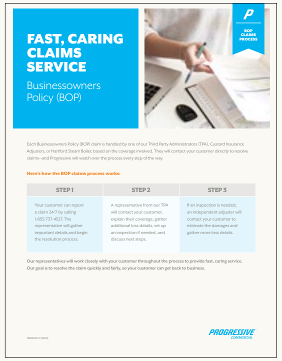
P.O. Box 33018

St. Petersburg, FL 33733-8018

Correspondence

P.O. Box 438001

Highland Heights, OH 44143


FAST, CARING CLAIMS SERVICE

Businessowners Policy (BOP)

Commission

15 percent commission on both new and renewal business

File Maintenance and Audit Requirements

Please obtain all required signatures and documents when you complete a new business application or make policy changes, and retain them in your agency files for the time period specified in FAO under News > Legal/Regulatory > Document Retention. Please remember that this is the time period required by Progressive; there may be additional document retention obligations in your state. To ensure compliance with your state regulations, please check with the Department/Division of Insurance.

According to the Producer's Agreement, signed by both your agency principal and Progressive when you become licensed to sell Progressive, you are responsible for producing all correctly completed signature forms and proof documents upon our request. Should a claim arise and requested documents are not available, an E & O exposure may exist. The Producer's Agreement also contains other information regarding retention of policy documents.

In the event the policy is to be electronically signed by the customer through our e-Signature process, you are responsible for obtaining all necessary signatures on applicable policy documents and ensuring that the customer completes the process correctly. E & O exposure may exist should the customer fail to complete the e-Signature process.

Acquired/Transferred Business

If you acquire a policyholder who is currently insured by one of The Progressive Group of Insurance Companies, either through an agent of record change or through the transfer or purchase of another agency's book of business, you must immediately obtain, from the prior agent or agency, all original signed applications and all other records relating to that policy. If you're unable to obtain the original records from the prior agent or agency, you must immediately contact the policyholder to obtain new forms that may be required. Your failure to either obtain the original forms from the prior agent or agency or to secure newly signed forms from the policyholder may result in an E & O exposure for your agency. Such records must be maintained in accordance with the terms of the Producer's Agreement and all applicable state laws.

Audit Requirements

Routine audits are performed on random files. You're required to provide file maintenance documentation to a company representative during an on-site visit or fax audit.

Fax Audits—You'll receive a list of required documentation that must be faxed to our office no later than two days after the request. Failure to submit the documentation will result in a failed audit.

Our BOP program is currently available to select agents in:

- Arizona
- Colorado
- Idaho
- Indiana
- Iowa
- Michigan
- Minnesota
- Missouri
- Nevada
- Ohio
- Oregon
- Pennsylvania
- Tennessee
- Utah
- Wisconsin

State Specifics

Arizona

- New Residential Construction Defect Exclusion is automatically attached to the policy for all Contractor risks.
- Continuous or Progressive Injury Originally Occurring Before the Inception Date Exclusion is automatically attached to the policy for all Contractor risks.

Colorado

- All policies that include a building value are required to carry a 5% wind/hail deductible (will not apply if the selected property deductible is equal to or higher than the 5% wind/hail deductible).
- New Residential Construction Defect Exclusion is automatically attached to the policy for all Contractor risks.
- Continuous or Progressive Injury Originally Occurring Before the Inception Date Exclusion is automatically attached to the policy for all Contractor risks.

Idaho

No state specifics.

Indiana

- Employment Practices Liability—Third-Party coverage is automatically included.
- Mine Subsidence Coverage—Offered only in required counties. Maximum available limit is $500,000.

Iowa

- Standard Fire Policy Provisions (BP 01 92) is attached to all new business policies.
- When applicable, wind/hail deductible will default to 1%.

Michigan

Hired and Non-Owned Auto coverage is not offered.

Minnesota

- For Employment Practices Liability coverage, we only offer $100,000 and $250,000 limits. Additionally, third-party coverage is automatically included.
- Two separate Additional Interest selections exist for townhouse associations—one for associations created prior to June 1, 1994, and one for associations created on or after June 1, 1994.

Our BOP program is currently available to select agents in:

- Arizona
- Colorado
- Idaho
- Indiana
- Iowa
- Michigan
- Minnesota
- Missouri
- Nevada
- Ohio
- Oregon
- Pennsylvania
- Tennessee
- Utah
- Wisconsin

State Specifics

Missouri

- Missouri Changes—Pollution Exclusion (BP 01 57) is attached to all new business policies.
- Customers that sell or transport Liquefied Petroleum Gas (LPG) or install, modify, repair or service equipment or appliances for use with LPG, are unacceptable for retail/service, wholesale, and contractors.
- Acknowledgement of Defense Costs Included Within the Limit of Liability—Form must be signed and retained when Employment Practices Liability coverage is included.
- Acknowledgement of Claim Expenses Included Within the Limit of Liability—Form must be signed and retained when Miscellaneous Professional Liability coverage is included.
- Limitations on Coverage for Roof Surfacing—If endorsement is added by an underwriter, form must be signed and retained.

Nevada

- New Residential Construction Defect Exclusion is automatically attached to the policy for all Contractor risks.
- Continuous or Progressive Injury Originally Occurring Before the Inception Date Exclusion is automatically attached to the policy for all Contractor risks.

Ohio

- Employers Liability Stop Gap—This coverage fills in the gap for Employers Liability, a section in Workers' Compensation policies, which is not provided for monopolistic Workers' Compensation states.

Each accident	Each employee by disease	By disease aggregate	Premium
$100K	$100K	$500K	$125
$500K	$500K	$500K	$148
$1M	$1M	$1M	$160

- Pesticide/Herbicide Applicators Errors and Omissions Liability—This is required by the Ohio Department of Agriculture for any land-scaper/lawn care professional applying pesticides and herbicides in the state of Ohio.
  - Limit available: $300,000 with $1,000 deductible
  - Premiums:
    Payroll ≤ $100,000: $250
    Payroll > $100,000: $500
  - Eligible class codes:
    74901—Landscape Gardening—No Tree Removal or Excavation
    74961—Lawn Sprinkler Installation

Our BOP program is currently available to select agents in:

- Arizona
- Colorado
- Idaho
- Indiana
- Iowa
- Michigan
- Minnesota
- Missouri
- Nevada
- Ohio
- Oregon
- Pennsylvania
- Tennessee
- Utah
- Wisconsin

State Specifics

Oregon

No state specifics.

Pennsylvania

Third-party coverage is automatically included for Employment Practices Liability coverage.

Tennessee

No state specifics.

Utah

No state specifics.

Wisconsin

Liquefied Petroleum Gas (LPG) suppliers are not acceptable for Retail and Services and Wholesale business categories.