

GENERAL INSURANCE INFORMATION

Whenever animals are in spaces where people live or work, it is important to think carefully about everyone's safety—both people and animals. Shelters that let pets live in the same space with people (or that are considering permitting a pet to be part of any living arrangement) are subject to several laws and regulations that exist to help manage risks that come with allowing pets in shared spaces. Different states and communities have laws and regulations regarding the number, size, breed, and safety protocols of and for pets.

Accidents happen, and shelters may be held liable. This is why any shelter considering permitting a pet to be part of any living arrangement must provide for the risk by purchasing insurance.

General Insurance Advice

Always consult a “Broker-Agent” or “Insurance Broker” when buying insurance. It is their job to help you get the best price and find coverage you are asking for.

If you already have insurance and want to review, ask your insurer for a “complete copy of the policy” or “policy jacket” including any “endorsements,” or “riders.” Consider consulting a lawyer to help you with your review.

Helpful definitions are included on the back of this document.

Types of Insurance

There are two main types of insurance that are needed: “**liability**” insurance and “**property**” insurance. Liability insurance helps protect against claims from others—like if someone gets bitten by a dog and sues for damages. The insurance company would then handle the investigation, defend the claim, and settle or pay covered damages. Property insurance, on the other hand, is there to protect things like furniture or buildings from any damage a pet might cause.

Liability Insurance

When buying liability insurance, it is a good idea to discuss the following considerations with a “Broker-Agent” or “Insurance Agent” before “Placing Coverage”. Some of the main things to consider include: “Limits” (how much protection to buy dollar-wise); “Deductible” (how much you need to pay out-of-pocket before insurance kicks in); whether the deductible applies to each claim or not; “Exclusions” (things not covered by insurance); and, of course, price. Keep in mind that many liability insurance policies have exclusions for dogs, and some even list specific breeds. If that is the case, exclusions can be removed or modified for a price. It is important to talk this through with your “Broker-Agent” or “Insurance Agent.” Sometimes, you can add coverage for pets through an “Endorsement” to your existing policy.

Property Insurance

A property policy helps protect property owned by you and the property of others around you. This includes things like the building and personal belongings. You will want a deductible that is reasonable enough to cover any damage. If possible, procure an “All-Risk” policy because it provides broad coverage by protecting against any damages not explicitly excluded in the policy. A “Named Peril” policy is much narrower and would not be as helpful.

HELPFUL INSURANCE DEFINITIONS

All-Risks: a type of insurance (also referred to as open peril insurance) that automatically covers any risk that the insurance policy does not explicitly omit.

Broker-Agent, Insurance Broker, Insurance Agent: A licensed individual who represents or has the ability to place coverage with one or more insurance companies.

Conditions or Terms and Conditions: These are typically circumstances that must be present for the coverage under your policy to apply. Examples are timely notice of a claim and cooperation with the investigation.

Declarations or Dec- Page: Typically, the page(s) of an insurance policy that describes the basic terms of the coverage. It often contains the insured's name, address, description of the property insured, maximum amount that will be paid out under the policy, the premium, etc.

Deductible: An amount of money which, in the event of a covered loss, the insured is required to pay prior to the insurance company paying for any damage. You can ask for higher or lower deductibles which will change the price of the policy overall.

Endorsement: A written agreement with the insurance company that adds or subtracts coverage or changes an insurance policy.

Exclusion: Language in the insurance policy (or which may be endorsed onto a policy) which specifies that a given circumstance is not covered. An example would be the intentional acts of the policy holder.

Insured: Someone covered by the insurance policy. There can be multiple insureds.

Insurer: The insurance company which covers the risk under your insurance policy.

Insuring Agreement: The part of the insurance policy that outlines what is covered by the insurance company. The Exclusions, Conditions, and definitions that appear later in the policy modify this promise.

Liability: the legal responsibility for injury done to a third party, or damage done to their property.

Limits: The maximum amount payable under the insurance policy.

Named Peril: An event, risk, or hazard that is listed on and covered by your policy.

Placing Coverage: means buying and putting into place an insurance policy. Sometimes called binding coverage.

Policy or Insurance Policy: A legal contract containing the agreement between the Insurer and the Insured. A Policy is made up of five parts: Declarations, the Insuring Agreement(s), the Exclusions, the Conditions, the Definitions.

Policy Jacket: A document that contains all policy language except the Declarations Page and Endorsements. In the Policy Jacket, you will find the Insuring Agreement(s), Exclusions, Conditions, and Definitions.

Premium: The cost of the insurance policy.

Rider: Also called an endorsement, this is an additional document to a policy that alters or enhances the insurance policy's terms.