

Insurance Details

This is an important announcement from the AAW POP (Professional Outreach Program). Please forward this to your chapter members. Most professional turners know that their homeowner's insurance policy does not cover their private business activities, inventory, teaching, equipment and property. Most of them have either done without insurance at great risk, or at great expense and effort, have found an agent to cover them. On the other hand, most of the rest of us assume that our homeowner's policy insures us even if we do some sales of our work or occasional teaching. Laws that regulate insurance vary from state to state. In North Carolina, it used to be that activities that were occasional in nature and did not amount to a "substantial" amount of income were covered by one's homeowner's policy. A few years ago, it changed to say that "any" activity that was commercial in nature, no matter how few dollars were involved, was not covered. That means that if someone came to my home to buy a piece and was injured, or if my shop burned, or my tools were stolen, or I taught a private class, I would not be covered. Each member should check with your own insurance agent to see if all of your activities are covered by your homeowner's insurance policy. As a service to our AAW members (no part of the premiums go to AAW), the AAW has sought out group policies that individual members can purchase at reasonable rates to cover their commercial activities of woodturning. The first policy that we have found can insure AAW members in the USA with the exception of California, Hawaii, Louisiana, and **Washington DC**. This policy will cover woodturners whether they work from their home or from a separate studio. Since we first announced this policy a year ago, many AAW members have signed up. We have also found a second policy that will cover in all states but only if the studio is in the home. If someone can recommend insurers that will cover Canadian, foreign, or members in these excluded locations with separate studios, please let the AAW know. The Managing Agency Group of Hilb, Rogal and Hobbs, a large and well-respected national firm offers the policies that the AAW is sponsoring. They have been offering a similar policy to members of the American Crafts Council (ACC). The first underlying policy is with OCG, the Ohio Casualty Group. This policy includes \$1,000,000 general liability, \$1,000,000 for products liability, \$10,000 medical expense, \$300,000 fire legal liability, and with building and personal property for any amount of your choosing, from \$2,500 up to \$100,000. The second policy is with RLI Insurance Company and includes the same liability limits with options for personal property in any amount from 5,000 up to 50,000 for your in home studio operations. Below is a summary of the policy benefits to any insured member. The policy will pay the actual amount of the loss sustained up to the following limits:

Building: Building amount that you choose

Business Personal Property Limit: Contents amount that you choose
 Loss of Income Limit: Actual loss Sustained
 Money & Securities Limits: (On Premises) \$10,000
 Sign Coverage: \$10,000
 Valuable Papers Limit: \$25,000
 Accounts Receivable Limit: \$25,000
 Seasonal Increase Limit: 25% of Contents
 In-Transit Limit/Off Premises Limit: \$25,000
 Employee Dishonesty \$10,000
 Fire Department Service Charge \$15,000
 Interior Glass \$100/pane, \$1,000/occurrence
 Pollutant Clean \$10,000
 Personal Effects \$2,500/5,000
 Newly Acquired Property (Building) 25% up to \$100,000 (Contents) \$25,000
 Debris Removal \$25,000
 Jewelry - Theft Limitation \$5,000
 Business Computer \$25,000
COMMERCIAL GENERAL LIABILITY
 Each Occurrence Limit: \$1,000,000
 Products Liability \$1,000,000
 Aggregate Limit: \$2,000,000
 Medical Expenses \$10,000
 Fire Legal Liability Limit: \$300,000
CONDITIONS:
DEDUCTIBLE: \$250
VALUATION: Replacement Cost
COINSURANCE: None
COVERAGE: Special (All Risk)

Each person's coverage will be the same except for the building and personal property coverage. Your premium will be based on your location and how much building and personal property coverage that you request. To apply and receive a premium quote, download an application at http://www.woodturner.org/community/pop/insurance_info.html, print it, fill it out, and mail or fax it to the address on the application. You must be an AAW member to apply.

If you have any problems or questions contact;

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