

A premier program for auto care pros by Pekin Insurance®



# Autocare Services BOP TOOLKIT



## What's included in our **Autocare Services BOP?**



### **Garagekeepers Actual Loss Sustained**

*To protect your business against damages to your customer's vehicles while they're in your care, for the actual loss sustained, not restricted by a limit!*



### **Mechanics Errors & Omissions**

*Because even the most hard working and experienced auto care professionals can make mistakes.*



### **Employee Tools Coverage**

*So you can help take care of your employees who take care of your customers.*

**Scan the  
QR Code**  
TO LEARN MORE





# WELCOME TO *Pekin Insurance*<sup>®</sup>

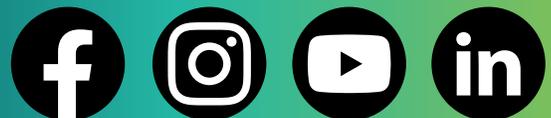
## BILL PAY OPTIONS

- **Accepted forms of payment:** credit cards (Visa, Mastercard, American Express, and Discover), debit cards, electronic checks, and automatic payments from your bank account.
- **Online:** [www.pekininsurance.com](http://www.pekininsurance.com)

## CLAIM REPORTING OPTIONS

- **Business Insurance claims:** Call us at 888-735-4611
- **Workers Compensation claims:** 833-746-8308

*Follow us*  
ON SOCIAL MEDIA





# COMMERCIAL GENERAL LIABILITY *Policy*

## A Comparison of Coverages Available Utilizing Our Enhancement Endorsement

	Commercial General Liability Coverage Without Commercial General Liability Enhancement Endorsement	Commercial General Liability Form or Endorsement Limit	Coverages Included in Commercial General Liability Enhancement Endorsement (CG5037)	Commercial General Liability Enhancement Endorsement Limit (CG5037)
General Aggregate Limit Per Construction Project	Available Only by Endorsement(s) to General Liability Coverage Form	Policy Limit	Automatically Included When Required in a Written Contract	Policy Limit
Voluntary Property Damage Coverage	No Coverage	No Coverage	Included on Commercial General Liability Enhancement Endorsement	\$5,000 Per Occurrence/ \$10,000 Per Policy Period
Care, Custody & Control Property Damage Liability Coverage	Available Only by Endorsement to General Liability Coverage Form	\$5,000	Included in Commercial General Liability Enhancement Endorsement	\$10,000 Per Occurrence/ \$30,000 Per Policy Period
Covered Perils for Damage to Premises Rented to Insured (7+ days)	Coverage for Fire Only	\$100,000	Extends Coverage for Damage to Premises Rented to the Named Insured to Include Fire, Explosion, Smoke Resulting From Fire or Explosion, or Leakage From an Automatic Fire Protection System.	\$300,000
Limit for Damage to Premises Rented to Insured	See Above	\$100,000	See Above	Increased to \$300,000
Liability Coverage for Damage to Electronic Data	No Coverage	No Coverage	Includes General Liability Coverage for Property Damage & Loss of Use to Electronic Data	\$25,000
Medical Payments	See General Liability Coverage Form	\$5,000	See General Liability Enhancement Endorsement	Increased to \$10,000
Supplementary Payments for Cost of Bail Bonds	See General Liability Coverage Form	\$250	See General Liability Enhancement Endorsement	Increased to \$2,500
Supplementary Payments for Loss of Earnings for Time Off Work to Assist Us in Investigation or Defense of a Claim	See General Liability Coverage Form	\$250 a Day	See General Liability Enhancement Endorsement	Increased to \$500 a Day
Nonowned Watercraft	Provides Coverage for Nonowned Watercraft Less Than 26 Feet Long	Policy Limits	Extends Nonowned Watercraft Coverage for Watercrafts Less Than 51 Feet Long	Policy Limits
Employees as Insureds - Specified Health Care Services	No Coverage	No Coverage	Automatically Included in General Liability Enhancement Endorsement	Policy Limits
Additional Insured - Lessor of Leased Equipment	Available Only by Endorsement(s) to General Liability Coverage Form	Policy Limits	Automatic Additional Insured Status for Qualifying Entity When Required in a Written Contract	Policy Limits
Additional Insured - State or Political Subdivision - Permits in Connection With the Named Insured's Premises	Available Only by Endorsement(s) to General Liability Coverage Form	Policy Limits	Automatic Additional Insured Status for Qualifying Entity When Required in a Written Contract	Policy Limits
Additional Insured - Managers or Lessors of Premises	Available Only by Endorsement(s) to General Liability Coverage Form (Described Premises Only)	Policy Limits	Automatic Additional Insured Status for Qualifying Entity When Required in a Written Contract	Policy Limits
Additional Insured Mortgagee, Assignee, or Receiver	Available Only By Endorsement(s) To General Liability Coverage Form	Policy Limits	Automatic Additional Insured Status for Qualifying Entity When Required in a Written Contract	Policy Limits
Newly Formed or Acquired Organizations	Included for 90 Days	Policy Limits	Included for 180 Days	Policy Limits
Knowledge of an Occurrence or Suit	Knowledge of an Occurrence Claim or Suit by an Employee or Agent May Constitute Knowledge of the Named Insured	Policy Limits	Clarifies Obligations to Notify of an Occurrence or Suit Only When Specific Insured's or Persons or Organizations Have Knowledge of an Occurrence or Suit	Policy Limits
Property Damage Liability Coverage for Borrowed Equipment While Off Premises	No Coverage	No Coverage	Includes Off Premises Property Damage Liability Coverage for Borrowed Equipment	\$10,000 Per Occurrence/ \$30,000 Per Policy Period
Unintentional Failure to Disclose Hazards	States as a Condition of Coverage That Coverage Could be Denied if All Hazards Are Not Disclosed	Policy Limits	Amends Commercial General Liability Condition to State if Unintentionally Named Insured Fails to Disclose All Hazards Before General Liability Coverage Came in to Effect, Coverage Will Not Denied Based Solely on Such Failure	Policy Limits
Liberalization Condition	No Coverage	No Coverage	Coverage Is Automatically Broadened When the General Liability Coverage Form Is Broadened Without an Additional Premium Charge as of the Date the Revision Is Effective in the Insured's State	Policy Limits
Bodily Injury Definition	Defines Bodily Injury to Include Sickness, Disease, or Death	Policy Limits	Broadens the Definition of Bodily Injury to Include Sickness, Disease, Mental Anguish, Mental Injury, Shock, Fright, or Death	Policy Limits



**PEKIN**  
INSURANCE

# Autocare Services Businessowners Policy

A premier program for **auto care pros** by Pekin Insurance®

We understand the unique challenges of running an auto repair or detailing business. Our tailored insurance solutions protect what matters most—**your tools, equipment, property, and business liability coverage**—so you can focus on keeping your customers on the road. Check out our key coverages below!



## Garagekeepers Actual Loss Sustained

*To protect your business against damages to your customer's vehicles while they're in your care.*



## Mechanics Errors & Omissions

*Because even the most hard working and experienced auto care professionals can make mistakes.*



## Employee Tools Coverage

*So you can help take care of your employees who take care of your customers.*



## KEY THINGS to know about Pekin Insurance

### LOCAL AGENTS

We're stronger by partnering with local agents who understand your unique needs.

### HIGH CLAIMS RATINGS

We prioritize our customers during tough times, which is why we consistently receive high ratings in claim satisfaction surveys.

### OVER 100 YEARS OF BUSINESS

You're choosing a company with a proven track record that knows how to protect your assets.

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TO LEARN MORE





**PEKIN**  
INSURANCE



## GARAGEKEEPERS ALS

*Available exclusively through our Autocare Services Businessowners Policy*

Protects your business **against damages to customers' vehicles** while those vehicles are in the care of your business.

## *Coverage* IN ACTION

### EMPLOYEE CRASHES CLIENT'S CAR

While working on a customer's vehicle, your employee takes the vehicle for a test drive and has an at fault accident. Garagekeepers Collision coverage will cover damage to the customer's vehicle. This coverage helps protect your business. At the end of the day, we are focused on taking care of our insured's, and that's why they consistently rate us high on claim survey's.

**SCAN HERE**  
TO LEARN MORE





## MECHANICS ERRORS AND OMISSIONS

*Available exclusively through our Autocare Services Businessowners Policy*

Even the most hard working and experienced auto care professionals can make mistakes. That's where Mechanics Errors and Omissions comes in. It protects **mechanics and auto repair shops from claims** arising due to mistakes, negligence, or failure to perform professional duties properly while providing their services.

### *Coverage* IN ACTION

#### DAMAGING CUSTOMER'S CAR DURING REPAIR

When completing an exhaust repair the work is unknowingly done improperly causing the system to fail after being returned to and driven by the customer. Mechanics Errors and Omissions can provide protection and coverage for repairing this damage. This helps get your client back on the road while protecting your bottom line! At the end of the day, we are focused on taking care of our customers during hard times, and that's why they consistently rate us high on internal claims surveys.

**SCAN HERE**  
TO LEARN MORE



# Autocare Services Businessowners Policy

(Businessowners policy with Deluxe Businessowners  
Auto Services Enhancement Endorsement)



# Garage Package Policy

COVERAGE	AUTOCARE SERVICES BUSINESSOWNERS POLICY	GARAGE PACKAGE POLICY
Garagekeepers ALS	✓	✗
Mechanic E&O	✓*	✗
Employee Tool Coverage	✓*	✗
Business Personal Property Coverage for Gasoline, Diesel Fuel, or Kerosene Fuel	✓*	✗
Property Coverage For Canopies & Awnings Coverage	✓*	✗
Unattached Accompanying Storage Buildings or Sheds	✓*	✗
Customer's Credit Card Invoice Records Coverage	✓*	✗
Medical Payments	✓* (with a limit of insurance of \$10,000)	✓ Available only by separately selected endorsement for an additional premium
Damage to Premises Rented to You Coverage	✓* (with increased perils and a limit of insurance of \$300,000)	✓ Available only by separately purchased endorsement or Fire only with a limit of insurance of \$50,000
Additional Insured- Grantor of Franchise	✓*	✓ Available only by separately selected endorsement for an additional premium
Vehicle Damage To Leased Real Property Coverage	✓*	✓ Available only by separately selected endorsement for an additional premium

\* Coverage included if the new Deluxe Businessowners Auto Services Enhancement Endorsement is selected on policy

This summary is intended to highlight general description of coverages. It does not provide any coverage. All coverages are subject to exclusions, conditions, and limitations in the endorsements and policy. Coverage limits and sublimits also apply. Please refer to the endorsements and policy for a complete description of coverages, limitations, conditions, and exclusions that apply.



= COVERAGE



= COVERAGE NOT  
AVAILABLE BY  
ENDORSEMENT



# KEY PERSON *Insurance*

## FOR YOUR AUTO CARE PROS

### YOUR SUCCESS CONTINUES

Key Person Insurance from Pekin Life Insurance Company can help protect your business from disruption and support your most essential team members as they approach retirement.

In an auto care shop, it's often a lead technician, shop manager, service advisor, or another trusted pro who knows every process and inspires long-term customer loyalty. If that key person were to pass away or leave for another opportunity, it could disrupt operations, slow down production, impact customer relationships, and even affect your credit rating.

### A REWARD & A BACK-UP PLAN

Key Person Insurance can provide the financial resources to help your business weather the loss of a top performer. With this coverage, you'll have funds to recruit and onboard a high-quality replacement before your service or reputation slips.

In addition, Key Person Insurance can be used to reward and retain your most valuable employees. Some policies build cash value that may be used as part of a retirement plan or bonus structure, giving your top talent a reason to stay for the long haul.



# CLAIM SERVICE HIGHLIGHTS

## 24/7 CLAIM CALL CENTER, 1-888-PEKIN11 (735-4611)

4-business-hour call-back service when Call Center is used.

## HIGHLY TRAINED CATASTROPHE TEAM

Should a storm strike your area, we have a team of highly trained adjusters who will arrive **on-site**, as soon as possible, to provide immediate service.

## QUICK ESTIMATE

The Quick Estimate web app is designed for low-impact, low-damage claims such as minor

fender benders. Quick Estimate can take days off the normal auto claim process, and it's free for all Pekin Insurance auto policyholders.

Call 1-888-735-4611 when your vehicle is damaged. If your claim qualifies for Quick Estimate, a representative will guide you through accessing the app and taking cell phone photos of vehicle damage. Those photos will be used to create your estimate.

## LOCAL CLAIM ADJUSTERS

You deserve VIP treatment when you're in need, so we get to you quickly and resolve your issue with care.



# RETAINING *Key Employees*

## WITH A GOLDEN HANDCUFFS BONUS COMPENSATION PLAN

Do you have an employee that makes a big contribution to the business's success and bottom line? If you ever lost that employee, your customers and your profits could go out the door with them. Then, there's training a replacement and waiting for them to come up to speed. A better option is to not lose them in the first place.

Sometimes salary alone is not enough to keep the employee on board. But, a "Golden Handcuffs" Bonus Compensation Plan could be just the right incentive to make them stay.

Under a Golden Handcuffs Bonus Compensation Plan, the employer agrees to pay the key employee bonus compensation in addition to his or her normal salary on a regular basis until retirement. Additionally, the plan can be designed to offer a retirement bonus as well.

### Golden Handcuffs Bonus Compensation Plan:

- The employer chooses an employee who will be offered the plan.
- The employer and the employee sign a bonus compensation agreement which specifies two criteria:
  - The conditions that must be met for the benefit payments to begin.
  - The amount, frequency, and duration of those payments.
- The employer purchases a life insurance policy on the key employee.
- The employer pays all premiums and is the owner and sole beneficiary of the policy.
- The employer uses the cash accumulation in the policy to make bonus payments and possibly retirement payments to the employee.
- Should the key employee die during employment, the employer receives the death benefits income tax-free and uses them to offset any financial burden on the business as well as to help recruit and train a new employee.

### Example of the Plan in Action

- Daniel, age 38, makes \$48,000 annually, is in good health, doesn't use tobacco, and has a wife and two children, ages 7 and 9. His boss, Tom, values Daniel as a key employee and would like to implement a bonus compensation plan to show him how much he is valued.
- Tom has decided he would like to pay Daniel a bonus every three (3) years until retirement in multiples of \$5,000. (ex. \$5,000 in year 3; \$10,000 in year 6; \$15,000 in year 9 and so on).
- Tom purchases a \$500,000 Universal Life insurance policy for an annual premium of \$12,000.
- At the end of every three years of the policy, Tom makes tax-free withdrawals of the amount necessary from the policy's cash value and pays Daniel his bonus. The payments to Daniel must be reported as income and are, therefore, deductible to the business as an expense.
- Upon retirement at the age of 65, Daniel receives his \$45,000 bonus payment. In addition, the policy still has in excess of \$80,000 in cash value which can be paid to Daniel as an additional bonus or can be used by the business to aid in hiring and training a new employee.

***Ask your business clients if they have a key employee they'd like to retain. A Golden Handcuffs Bonus Compensation Plan may be just the perk to keep that employee around.***



# BUSINESS *Perpetuation*

## MAKE YOUR BUSINESS LAST

It's tough to walk away from anything you pour your heart and soul into. But the show must go on, even if you're not there to run your business.

Do you know what would happen to your business if you fell ill or passed away unexpectedly?

**A buy-sell agreement funded by life insurance could keep your business going and:**

- Lock a buyer or successor into place.
- Generate cash value that can be borrowed for emergencies.
- Pay an income tax-free benefit to the beneficiary.
- Eliminate possible disagreements among business partners or your family members.

## HOW A BUY-SELL AGREEMENT WORKS

A buy-sell agreement can provide a smooth ownership change.

Let's say your business has multiple owners. In a buy-sell agreement, you would all buy life insurance policies on each other.

When an owner passes away, the remaining owners would use the death benefit to buy the deceased owner's share of the business. You can also pass the business on to your family with a buy-sell agreement funded by life insurance.



# BUSINESS INSURANCE REVIEW

2505 Court Street • Pekin, Illinois 61558  
 www.pekininsurance.com • 309-346-1161

BUSINESS NAME		
TYPE OF BUSINESS		
ADDRESS		
CITY	STATE	ZIP
BUSINESS PHONE	HOME PHONE	

## PEOPLE TO CONTACT IN CASE OF EMERGENCY

ACCOUNTANT	PHONE
ATTORNEY	PHONE
OTHER	PHONE
OTHER	PHONE

## PERSONAL DATA

NAME OF OWNER/SPOUSES	PERSONAL ADDRESS	OWNERSHIP %	D.O.B.

## PROPERTY

CARRIER	POLICY#	EXPIRATION DATE	BUILDING COVERAGE	CONTENTS COVERAGE	LOSS OF INCOME

## BUSINESS AUTO

CARRIER	POLICY#	EXPIRATION

PLEASE ATTACH A VEHICLE SCHEDULE AND DRIVERS LIST SEPARATELY.

## DRIVER INFORMATION

NAME	D.O.B.	DRIVERS LICENSE #

## LIFE

INSURED	CARRIER	POLICY#	TYPE#	PURPOSE	AMOUNT
				Buy/Sell	
				Key Person	
				Exec. Bonus	

#1. Permanent 2. Term 3. Combination

## HEALTH

CARRIER	POLICY#	EXPIRATION	#IN GROUP	TYPE

## ADDITIONAL COVERAGES

- Crime (Employee Dishonesty)
- Bonds
- Garage
- EDP
- Inland Marine
- Property of Others
- Signs
- Disability Income

## NOTES AND RECOMMENDATIONS FOR CHANGES, INCREASES, AND NEW COVERAGE

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We have reviewed and made the necessary changes to the insurance policies I have with Pekin Insurance to the extent I desire. I will advise my agent if I wish to change or add to my existing policies.

INSURED SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

AGENT SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_