



# Small Business Package Guide

## GENERAL RULES AND GUIDELINES

This manual is provided as an underwriting guide for the Commercial Insurance Small Business Package offered by Max Insurance.

Broker binding authority, underwriting guidelines and rates are described in this manual. In all cases, refer to the actual policy wordings for detail descriptions of coverage, exclusions and conditions.

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## BINDING AUTHORITY

Max Insurance offers the Small Business Package where Brokers will no longer need to wait to quote coverage for qualifying customers.

If a customer meets the eligibility for the Small Business Package, send the underwriting details to our underwriting team for review and binding approval.

Building coverage is quoted separately and can be added to the Small Business Package when the customer owns the building.

Risks cannot be bound with Max Insurance where there is deemed to have an imminent forest fire exposure that the risk is not located at least 25km from.

However, if the customer has owned/operated a Commercial Business and not previously been insured risks cannot be bound with Max Insurance where there is deemed to have an imminent forest fire exposure that the risk is not located at least 50km from.

Full payment is required prior to issuing a policy for any customer with a non-payment cancellation in the last 3 years.

## UNDERWRITING RULES

### **Underwriting rules that must be met to issue or renew a contract:**

- The business must be included in the list of eligible businesses
- The business' annual revenues cannot exceed \$500,000.
- The business must require subcontractors to have proof of in force insurance.
- A professional business class must have professional liability coverage in force with another insurer.
- The business has not had any insurance claims within the last 5 years.
- The business has a maximum of 1 location.
- The business does not have any of the following operations:
  - alarm installation
  - work on production machinery (agricultural or commercial)
  - work outside of Canada
  - work related to operations, parts or servicing of:
    - automobiles, aircraft, courier services, public transit, railroads, subways, truckmen (hauling for others), watercraft
  - work at any oil or natural gas production, exploration or processing facility
  - work involving asbestos, blasting, bridges/dams, caissons, hazardous/toxic chemicals, explosives, fire restoration work, liquefied petroleum, logging, natural gases, oil-field work, pesticides, power generation, radioactive materials, shoring, snow removal, structural steel, tunneling, welding, or boiler work.
  - any alcohol sales
- Any carpentry shop must have the following:
  - central dust collection system
  - ULC approved spray booth

- storage for paints/thinners and any flammables must be in ULC approved cabinets
- metal containers for rags or any flammable refuse
- Any deep-fat frying must have all cooking surfaces protected by a ULC certified automatic fire suppression system. A semi-annual system maintenance contract is required.
- Businesses with seasonal operations must disconnect all utilities, drain the water pipes or use anti-freeze during the off-season.
- International and United States sales products must be manufactured in North America or the products must be obtained from a North American wholesaler.
- There is no outstanding earned premium requiring payment from any previous policy with Max Insurance.
- Locations with heating units must be approved by the Canadian Standards Association (CSA), the Canadian Gas Association (CGA) or OMNI-Test Laboratories (OTL) and listed by the Underwriters Laboratory of Canada (ULC) or Warnock Hersey (W-H) professional services.
- The insured has not been previously cancelled for insurance fraud, material misrepresentation, or non-disclosure.

## ELIGIBLE BUSINESSES

## BUSINESS SERVICES

- Accountants, Auditors – 6411
- Advertising Agencies – 7312
- Advertising Sign – Company Operations – 7311
- Architects – 8915
- Barber Shops, Men's Hairstyling – 7296
- Beauty Parlours (No Tanning Salons, Aestheticians, Body Waxing, Body Piercing, Tattooing, Lash Tinting or Extensions, Laser Hair Removal or Electrolysis – Incidental Facial Waxing Only) – 7297
- Cemeteries, Mausoleums – 7261
- Copying/Duplicating Service (Quick Printers) – 7400
- Employment Agencies – 7405
- Engineers – 8916
- Financial Planning – 6415
- Funeral Homes, Morticians, Undertakers – 7291
- Furniture, Drapery, Rug Cleaning on Customer's Premises – 7395
- Graphic Design Firms, No Public Relations – 7313
- Insurance Agents, Brokers, Adjusters – 6412
- Lawyers, Barristers, Solicitors – 8111
- Mercantile/Manufacturing Inspection for Insurance, Valuation – 8917
- Photographers' Studios – 7292
- Photography and Videotaping - Other - excluding Aerial, Motion Picture – 7293
- Re-Upholsterers, Furniture Refinishers – 7694
- Real Estate Agents, Managers – 6580
- Repair Shops – Home Entertainment (Radio, Television, etc.) – 7691

- Travel Agencies, No Tour Operators – 7298
- Veterinarians including Veterinary Hospitals – 737

## CONTRACTORS

- Air Conditioning Equipment (Not with Oil or Has Heating Equipment) – 1717
- Building Cleaning – Exterior (3 Floor Maximum)– 1779
- Building Construction – Not Residential – including Alterations, Renovations or Repairs – 1830
- Building Construction – Residential - One- or Two-Family Dwellings - including Alterations, Renovations or Repairs – 1811
- Carpentry – Away from Shop – 1752
- Carpentry – Shop Operations – 1751
- Fences – Construction of – 1522
- Glazier Operations – 1535
- Grading of Land – Not Road Construction or Excavation – 1526
- Heating Equipment, Oil or Gas – 1715
- Heating Equipment, Solid Fuel – 1716
- Interior Decorator – 1757
- Masonry – including Bricklaying, Stonework, Tile, Marble, Mosaic, Stuccoing – 1743
- Metal Doors, Windows, Awnings – 1766
- Mobile Homes, Pre-Fabricated Housing – Shop Operations – 1813
- Painting – excluding Spray Paint – 1754
- Plumbing – 1711
- Sheet Metal – Shop Only – 1761
- Solar Energy Contractors – 1719
- Tilework – Not Masonry, Sewers, Drains, Ceiling, Terrazzo – 1745
- Wiring – including Fixtures, Appliances – 1731
- Gardening for Others (Landscaping – excluding Spraying) – 735
- Tree Removal, Trimming, Pruning – 736

## HEALTH PROFESSIONALS

- Chiropractors – 8021
- Gynecologists, Obstetricians – 8010
- Massage Therapists (Registered) – 8029
- Opticians – 8023
- Physicians, Surgeons Not Specialists in Surgery – 8011
- Physiotherapists, Occupational Therapists – 8018
- Psychiatrists – 8013
- Social, Consulting and Counselling Services – 8085

## LIGHT MANUFACTURING

- Bakeries including Pasta Manufacturing – 2051
- Confectionery, Cocoa or Chocolate Manufacturing – 2052
- Costume, Novelty Jewellery (\$50 Limit/Article) – 3872
- Draperies, Tapestries – 2351
- Gloves, Hats, Underwear, Beachwear, Accessories – Men's and Boy's – 2311
- Gloves, Millinery, Lingerie, Beachwear, Accessories – Women's and Girl's – 2332
- Jewellery, Watches, Precious Stones, Silversmiths, Gold/Silver Platers (\$1000 Limit/Article) – 3873
- Men's and Boy's Wear – 2310
- Paper Products (Bags, Boxes, Containers) – 2632
- Signs – Plastic – 3071
- Stationery – 2633
- Women's and Girl's Wear – NOC – including Synthetic Furs, Suits, Dresses – 2330

## OTHER

- Bed & Breakfast Tourist Homes – 7054
- Catering, Commissariat Work – Not licensed to sell alcohol– 7402
- Fund Raising Activities Operated by Charitable or Religious Bodies – 8673
- Professional and Business Associations – 8620
- Refreshment Stands, Drive-in Restaurants (No Delivery) – 5813
- Restaurants - Not Licensed (No Delivery) – 5811

## RETAILERS

- Accessories (Belts, Hosiery, Scarves, etc.) – 5692
- Antiques, Bric-A-Brac, Art Galleries, Pictures, Prints – including Conservators, Framing (Store Only) – 5711
- Audio, Video Sales, Rentals (Discs, Records and Tapes) (Store Only) – 5715
- Bakeries – 5421
- Boots, Shoes – 5691
- Cameras, Photography Supplies – 5997
- China, Crockery, Glassware – 5259
- Clothing – including Footwear (1,000 m2 or More) – 5312
- Coin, Stamp, Card Dealers, Rare Book Stores - 5999
- Confectioners – 5431
- Door-to-Door Sales, Services – 5341
- Dry, Leather or Religious Goods, Handicraft, Hobby Toys, Luggage, Drafting Instruments, Flea Markets – 5996

- Electronic Equipment (Computers, Home Entertainment, Officer Machines - With Installation/Repair – Away from Premises – 5718
- Family Clothing – 5693
- Florist, Hair Goods, Bookstore, Stationery – 5993
- Frozen Foods – 5432
- Furniture, Heavy Appliances, Lamps, Lighting Fixtures, Second-Hand Furniture – 5311
- Ice Dealers – 5983
- Mail Order Houses, Direct Selling Organizations – 5342
- Men's Wear – 5695
- Paint and Wallpaper – No Work Off Premises – 5254
- Shoe Repair, Shoeshine, Hat Cleaning – 5992
- Tobacconist, Variety Store, Convenience Store (\$5,000 Tobacco Limitation Required) – 5991
- Women's Wear – 5694

## COVERAGE AND RATES

COVERAGE	LIMITS/RATES
Minimum Premium	\$500
Base Deductible	\$500
Sewer Back-Up Deductible	\$2500
Co-Insurance	90%
Discounts	3 or more years' experience (5%) 5 or more years' experience (10%) \$500 Deductible (Included) \$1,000 Deductible (2%) \$2,500 Deductible (5%) \$5,000 Deductible (7%) \$10,000 Deductible (10%)

<b>Property</b>	\$50,000 (Included)
Contents (Equipment and/or Stock)	\$100,000 (Add \$150)
Including:	\$200,000 (Add \$300)
<ul style="list-style-type: none"> <li>• Contents at Newly Acquired or Temporary Locations (100% of Contents)</li> <li>• Replacement Cost (Excluding Stock)</li> <li>• Sewer Backup</li> <li>• Peak Season Stock (125% of Stock)</li> </ul>	

<b>Liability</b>	\$2,000,000 (Included)
Including:	\$3,000,000 (Add \$100)
<ul style="list-style-type: none"> <li>• Commercial General Liability</li> <li>• Non-Owned Automobile Liability (Excluding British Columbia)</li> <li>• Tenant's Legal Liability (\$500,000 Limit)</li> </ul>	
	\$4,000,000 (Add \$200)
	\$5,000,000 (Add \$300)

<b>Crime – Comprehensive</b>	\$10,000 Each
Including:	
<ul style="list-style-type: none"> <li>• Depositors Forgery</li> <li>• Employee Dishonesty</li> <li>• Loss Inside the Premises</li> <li>• Loss Outside the Premises</li> <li>• Money Orders and Counterfeit Paper Currency</li> </ul>	

### **Business Interruption**

Including:	
<ul style="list-style-type: none"> <li>• Gross Profits – Actual Loss Sustained</li> </ul>	

<b>Extensions</b>	\$25,000 Each
Including:	
<ul style="list-style-type: none"> <li>• Accounts Receivable</li> <li>• Brands and Labels</li> <li>• Contractors Equipment (Contractors Only)</li> <li>• Customers Property</li> <li>• Debris Removal</li> <li>• Exhibition Property</li> <li>• Extra Expenses</li> <li>• Fine Arts</li> <li>• Fire Department Service Charges</li> <li>• Glass</li> <li>• Growing Plants, Trees, Shrubs</li> <li>• Installation Property (Contractors Only)</li> <li>• Lost Keys</li> </ul>	

- Miscellaneous Property
- Off Premises Service Interruption
- Professional Fees
- Property in Transit
- Signs
- Stock Spoilage
- Tools
- Valuable Papers and Records

### **Optional Coverage**

To be referred and quoted by Underwriting

- **Flood**
- **Earthquake**
- **Building Coverage**
- **Equipment Breakdown**