

# IBOBA INSURANCE PROGRAM

## 12/31/16-12/31/17

Marsh USA Inc., acting as the insurance broker, proudly services Independent Business Owners (IBOs) with their commercial general liability and business property insurance needs. Commercial insurance coverage is provided for all participating members of the Independent Business Owners Benefits Association (IBOBA).

Liability exposure affects any business in today's marketplace. Such exposure might even prove to be fatal to those businesses that operate without commercial insurance coverage.

General liability insurance protects IBOs against occurrences of bodily injury, property damage, and personal injury during the conduct of their Independent Business. The IBOBA insurance program provides IBO policyholders the ability to quickly obtain certificates of insurance evidencing coverage, as needed for any particular event or meeting. Call Marsh USA Inc. at 800-548-9175 or email at [IBO.certificates@marsh.com](mailto:IBO.certificates@marsh.com) to request certificates of insurance.

Business personal property insurance protects IBOs against losses resulting from direct physical damage to personal property from any external cause, except as excluded. The personal property must be used primarily in the conduct of the IBOs business. Even when operating an Independent Business from home, the business personal property may be uninsured without a commercial policy.

The following highlights the insurance coverage available through the IBOBA insurance program; however, actual policies will control all insurance coverage options. Insurance information is available from Marsh USA Inc., One Towne Square, Suite 1100, Southfield, MI 48076, or call 800-548-9175 or 248-945-5600.

Property and general liability claims services are available from Marsh USA Inc., please refer to contact information.

L-2544-SCO

## Who Is Covered?

Independent Business Owners Benefits Association (IBOBA) and each Amway authorized Independent Business Owner (IBO) who elects coverage in accordance with IBOBA procedures, but only with respect to the operation of their Independent Business as described in the Independent Business Owner Registration Agreement of North America. Coverage is excluded for any other business or personal activities not related to Insured's IBO activities under the Independent Business Ownership Registration Agreement.

## Property Coverage

Policy underwritten by Lexington (AIG)

### WHAT IS COVERED?

- "All Risk" of direct physical loss or damage to the property covered from an external cause, except as excluded (note Major Exclusions).
- The IBO's interest in personal property owned by the Insured IBO and used primarily in the Insured IBO's Independent Business.
- The IBO's interest in Personal Property of Others, primarily related to the Insured IBO's Independent Business, while the property is in the Insured IBO's custody or for which, prior to loss, the Insured IBO has an obligation to insure.

### MAJOR EXCLUSIONS (Include, but are not limited to)

- Earthquake in the states of California, Alaska, and Puerto Rico.
- Property that is not primarily used in the Independent Business Owner's business.
- All real property, which includes buildings, structures and dwellings; including permanent fittings and fixtures, improvements and betterments, foundations, and pavements.
- Watercraft, aircraft and motor vehicles, including but not limited to those licensed for use on public roads.
- Consequential or indirect loss or business interruption; except as otherwise provided.
- Unexplained or mysterious disappearance or shortage.
- All jewelry.

### AMOUNT OF COVERAGE\*

Per Occurrence Per IBO Limit:	\$	50,000
Per Occurrence Per IBO Deductible:	\$	250
Per Occurrence Per IBO Flood Deductible:	\$	10,000
Per Occurrence Per IBO Windstorm Deductible:	\$	5%/\$250

## Contingent Business Interruption

### WHAT IS COVERED?

- Reimbursement from Loss of Gross Bonus paid to IBOs, due to the necessary interruption of business conducted by the IBO as a result of loss or damage by an insured peril at specified contingent business properties which prevents Amway Global from supplying product and/or services to IBOs.

### MAJOR COVERAGE LIMITATIONS

- Loss of retail mark-up income derived directly from IBO direct sales.
- Loss of any other income derived from an Independent Business.

### AMOUNT OF COVERAGE

Per Occurrence Per IBO Limit:	\$	50,000
Per Occurrence Per IBO Deductible:	\$	5,000

*\*Flood aggregate limits for locations within 100-year (\$2,500,000) and 500-year flood (\$5,000,000) plains, including their foreign equivalents. Varying deductibles may apply based on coverage.*

## General Liability

Policy underwritten by Liberty Mutual

### WHAT IS COVERED?

Any occurrence must be directly related to the IBO Business.

- All Risk of bodily injury, property damage, and personal injury (as defined by the policy), except as may be excluded (note Losses Not Covered).
- Policy will pay damages the insured IBO becomes legally obligated to pay by reason of liability imposed by law or assumed under an insured contract because of bodily injury or property damage caused by an occurrence; or personal injury to which this insurance applies. (An occurrence is an accident which results in bodily injury or property damage).

### LOSSES NOT COVERED (Include, but are not limited to)

- Product Liability.
- Professional Liability (any work or services performed by the IBO; specifically including, but not limited to, installation of products such as eSpring units).
- Advertising Injury.
- Workers' Compensation.
- Vehicles or machines licensed for use on public roads, aircraft, watercraft.
- Intentional bodily injury or property damage caused by the insured.
- Bodily Injury to insured IBO or family members.
- Losses resulting from criminal activity such as burglary, robbery or employee dishonesty.

### AMOUNT OF COVERAGE

Per Occurrence Limit:	\$	1,000,000
Per Occurrence Deductible:	\$	0
Aggregate Policy Limit:	\$	2,000,000

## Contact Information

You may file a **property or liability claim**, obtain a **certificate of insurance**, or request additional information by writing or calling:

Marsh USA Inc.

One Towne Square, Suite 1100

Southfield, Michigan 48076

Phone: 800-548-9175 or 248-945-5600

**Certificates of Insurance — Email:**

**[IBO.certificates@marsh.com](mailto:IBO.certificates@marsh.com)**

**Reporting of Property or Liability Claims**

**— Email: [IBO.claims@marsh.com](mailto:IBO.claims@marsh.com)**

Fax: 248-945-5610

**\*\*Please Note\*\***

The IBOBA Insurance coverages have annual aggregate policy limits for certain perils. This is the most that the policy will pay for such losses incurred by all IBOs in the aggregate incurred during the policy year. Once exhausted, the policies will not respond.

Property claim reporting procedures require that a detailed Proof of Loss is filed with the Insurance Company, or its agent, within ninety (90) days after the loss becomes known to the insured, unless the Insurance Company, or its agent, extends such time in writing.