

This is part 8 of our 10 part series on [insuring your restaurant](#) . This article deals with a policy that is only purchased by about 20% of restaurant owners. That is the commercial umbrella policy.

The commercial umbrella policy is a liability policy that adds an extra layer of protection over and above your underlying liability policies, such as your [general liability insurance](#) , your [workers compensation insurance](#) and your [commercial auto insurance](#) . This policy provides a quick, convenient and usually inexpensive way to increase your overall liability protection on all of your underlying policies at once.

The commercial umbrella policy will have underlying limits requirements for your above mentioned underlying liability policies. In some cases it is cheaper to raise the underlying limits of your other policies and in other cases it is cheaper to keep them low and add the umbrella policy. You should take the time to go over this in detail with your agent so that you can make the choice that is best for your restaurant. Once your policy is issued, always check to make sure that all of your underlying policies are listed on the declarations page of your umbrella policy so that you know it is adding additional liability protection to all of your policies.

Most every commercial umbrella policy will have a self insured retention listed on the declarations page of the policy. This self insured retention acts like a deductible but it is a bit trickier than the deductibles that you are used to. Policy forms vary, so check with your agent to see if the self insured retention applies to all claims that are filed against your policy, or just to those where the umbrella policy provides the first dollar of protection. That is possible because of the wording of the umbrella policies, in some cases there may be additional protection provided by the umbrella policy that is not provided by any of the underlying policies.

One last thing to take a look at is whether defense dollars (money paid to attorneys to defend your case) are included in the total policy limit or are outside the limit and therefore unlimited unless noted otherwise. This could dramatically change the outcome for you if most of your claim was defense costs to fight the claim.

The commercial umbrella policy is a unique policy that is not used often by most restaurant

owners. But every restaurant owner should take a close look at the umbrella policy to see if it provides protection or benefits that they need to be properly insured.

At [Clinard Insurance Group, in Winston Salem, NC](#) we make it a part of our job to help insurance consumers out there become informed consumers. We specialize in insuring restaurants and we have programs to help our restaurant owners with every policy they purchase on their restaurant and for their personal needs. We are truly a one stop shop. We have created special niche programs for 5 different types of restaurants. We have a [fine dining restaurant insurance program](#)

, a [casual dining restaurant insurance program](#)

, a [fast food restaurant insurance program](#)

, a [tavern and bar and grill insurance program](#)

and a [special program for caterers insurance](#)

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