



2017-2018 PADI-ENDORSED DIVE CENTER & RESORT INSURANCE

When you compare the coverage, the service – and especially for 2017-18, the PRICE – You'll see there is no better solution than PADI-endorsed Dive Center and Resort Insurance.



VICENCIA & BUCKLEY

A Division of HUB International
Insurance Services, Inc.

The Industry's Premier Program

Understand Your Policy Benefits and Value

PADI-endorsed Dive Center and Resort Insurance for the 2017-2018 policy year continues to provide the best value with the best service and support that only the dive industry's most stable, longest-running dive insurance program can. In a time of chaotic changes in the dive market's insurance offerings, PADI member insurance remains consistent and dependable, a bedrock of calm security in the storm.

What Is...?

As with any insurance coverage, it's important to understand the differences in the types of policies and coverage.

General Liability is the dive center or resort's liability coverage for non-training/supervisory activities, such as:

- Slips and falls
- Product sales and rentals
- Equipment repairs
- Air fills
- Contingent Professional Liability
- Broadened Tenant Liability
- And more

Property coverage protects the dive center or resort's building, contents, loss of business income, machinery and stock from:

- Theft
- Burglary
- Windstorm
- Fire
- And more

General Liability includes:

Contingent Professional Liability – If your dive pro's policy is not valid or has odd warranties, this unique contingency coverage could be the difference between having defense coverage for your store for an in-water claim and struggling to defend your store without any insurance coverage at all.

- Policy limits – \$1,000,000 / \$2,000,000 Aggregate
- Claims made form - Claim must be made during the policy period

Property Coverage includes:

A Lower Premium option with a \$2,500 or \$5000 deductible – another way to better manage your premium costs and still protect your business.

Access to Knowledgeable Insurance Specialists

The PADI-endorsed policy is backed by the dive industry's most experienced risk management team. PADI and Vicencia & Buckley have worked together for 33 years to offer risk management support and insurance programs tailored specifically to dive business like yours.

Having PADI-endorsed Dive Center and Resort insurance means you're never more than a call away from a knowledgeable advisor when you need it most. This includes:

- 24/7/365 incident report hotline
- A toll-free number available in the United States, Mexico and Canada
- Access to risk management specialists ready to advise you on what to do in the immediate

Take the first step to protect your dive business.

Call 800-223-9998 or +1 714 739 3177 today for a FREE, no-obligation custom quote.

Did You Know?

The most common liability claim a store faces is for a slip and fall on the premises. The most common property claim is for burglary.

Optional Supplemental Coverage

In addition to the benefits that come with PADI-endorsed insurance, Vicencia & Buckley offers optional coverage:

Travel Agent's Errors and Omissions

- Protects you when booking travel for your customers.
- What happens if you make a mistake with scheduling or booking reservations? Who pays for their room at another hotel or return airfare if the trip is canceled?

Non-owned Auto Liability

- Provides coverage if an employee, on company business, driving his personal car is involved in an auto-accident resulting in injuries to a third party.
- Does your staff drive their personal vehicles to dive sites, etc.? Are you exposed?

Employment Practices Liability

- Provides coverage for allegations of wrongful termination, discrimination and other employment practices-type claims.

Optional Store/Resort Group Professional Liability with "Prior Acts" Coverage

- An excellent way to manage your pros' liability insurance and enjoy significant savings. (refer to FAQ and form #10265 for more details)
- Includes all your store/resort's professional staff and, up to 25% of the insureds may be non-PADI professionals.
- Changing from one professional liability policy to another can result in a "loss of prior acts coverage" with some policies on the market, which could leave you bare for claims resulting from incidents or instruction involving your Professionals in the past. The PADI-endorsed Dive Center and Resort Group Professional insurance provides prior acts coverage for claims dating back to your first date of uninterrupted professional liability coverage or 30 June 1992, whichever is later.

Building damage

- Property insurance doesn't just include the contents of your business. Do you own the building your store is in? If you have building/property coverage, does it include a possible cylinder rupture? Have you considered rates may be better if you include all your dive business insurance in one insurance program?

Dive Boat insurance

- Custom-designed hull and liability program for Dive Boat Operations including:
 - Worldwide coverage*
 - Large vessel discounts
 - Additional insureds
 - Lay-up credit for up to five months
 - Crew coverage - optional

Flood Insurance

- Provides coverage for property damage as a result of "rising water," aka flood. Even if a result of rain, rising water is considered 'flood' and is excluded from most all property policies.
- Ensure you have this protection by securing this separate coverage. You may not be able to afford to replace your inventory, flooring, walls, etc. without it.

Apply Today

Visit diveinsurance.com and click on the "Applications" tab to complete the application for the 2016-2017 policy. Or, complete the included application and fax it to Vicencia & Buckley Insurance Services at 1-714-739-3188.

Have questions? Call 800-223-9998 today for a FREE, no-obligation custom quote.

Policy Features and Benefits*

Exclusive Coverage and Benefits Available through the PADI-endorsed Program*

Benefits of PADI-endorsed Insurance

PADI-endorsed Dive Center and Resort insurance offers additional coverage and benefits that are not generally included in other dive industry policies.

Compare these benefits with other policies you may be considering.

Commercial General Liability Policy

PADI-endorsed Policy

EXCLUSIVE Contingent Professional Liability	Think of this as "What If?" coverage. "What If" an instructor providing additional insured coverage to the store is denied coverage in an accident, because he violated an Exclusion to the policy? "What If" the instructor moved away, didn't renew his insurance and a lawsuit from a previous accident came in, naming the store? Without the Contingent Professional Liability policy, in both instances, the store would be without insurance protection. With the Contingent Professional Liability coverage, the store would be protected, just as if there had never been a problem in the first place.	✓
Insurer Rating	The industry's only A++ XV rated US insurance company	✓
Slips & Falls, Air Fills, Repairs, Products Sold & Rented	Coverage for claims of slips and falls, contaminated air, defective rental equipment or customer repairs, as well as claims for the sale of defective products	✓
Accidents On Premises, Including On-Site Pool	Included, at no additional cost	✓
Sponsored Dive Trips & Sponsored Club Liability	Included, at no additional cost	✓
Offsite Liability Protection	Coverage extends beyond store premises. No restriction as to "designated premises"	✓
Rental of Non-Motorized Watercraft (Up To 20 Ft)	Included, at no additional cost	✓
Deductible	No deductible for General Liability claims	✓
Liability Defense Territory Exclusions	None. Except where USA law restricts business activities of USA companies.	✓
Damage to Premises Rented to You	Fire damage to your rented building included - also includes explosion, smoke and water damage. Designed to provide coverage if an employee leaves the water on and floods the store and the neighboring business's unit.	✓

Property Coverage *(Available in the U.S., Puerto Rico, USVI and Guam)*

Business Personal Property, Including Inventory	Included up to the policy limit	✓
No Co-Insurance On Inventory Coverage	Co-insurance – an often overlooked, hidden clause in other policies – may reduce what the policy pays for a property loss.	✓
EXCLUSIVE: Accidental Compressor Mechanical Breakdown Coverage	Included at no charge with the PADI-endorsed Policy - \$2500 deductible. Other policies may include this coverage but at an additional premium	✓
Loss of Business Income	Up to \$40,000 to help offset ongoing expenses – payroll, payment to manufacturers – in the event of a temporary closure due to a covered loss such as a fire. Higher limits available.	✓
Rental Equipment Off Premises	Included up to \$10,000	✓
Burglary Coverage Central Station Alarm Required	100% of contents \$1000 deductible	✓
Working Customer Equipment in For Repair	Included up to \$10,000	✓
Equipment/Personal Property in Transit	Included up to \$10,000	✓
Deductible	Property: \$1000 (5% of insured values for wind areas). Higher deductibles available.	✓

*Not all coverage is available globally

Vicencia & Buckley, A Division of HUB International Insurance Services, Inc.

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THIS BROCHURE IS FOR ILLUSTRATION PURPOSES ONLY AND IS DESIGNED AS A GENERAL DESCRIPTION OF THE POLICIES. COVERAGE WILL BE DETERMINED BY THE ACTUAL POLICY LANGUAGE. NOT ALL COVERAGE AVAILABLE GLOBALLY.

2017-2018 RETAILER & RESORT INSURANCE APPLICATION



Exclusively for PADI Retailer & Resort Members

POLICY PERIOD

12:01 a.m. June 30, 2017
through 12:01 a.m. June 30, 2018

PLEASE PRINT

PADI Retailer/Resort No. _____

Legal Business Name _____

DBA _____

Corporation Partnership LLC Sole Proprietor

Mailing Address _____

City _____ State/Province _____

Country _____ Postal/Zip Code _____

Physical Address _____

Phone No. (_____) _____

Fax (_____) _____

Email _____

Website _____

Policy Period: From _____ to 30 June 2018

If you FAX your application to Vicencia & Buckley, a division of HUB International, +1 714 739 3188 — please DO NOT mail a duplicate application.
FAX services available 24 hours a day. Be sure to retain your fax confirmation.

To ensure you receive a professional quote on a program designed specifically to meet your business needs, please complete the questions on page 2 and 3 of this application. If you have any questions about how to complete the application, please call Vicencia & Buckley, a division of HUB International, at 800 223 9998 or +1 714 739 3177.

Someone will be happy to walk you through the application process.

Please continue on page 2 of this application.

CHECK LIST

- Ensure correct name and address are on the application. Please include phone and fax number.
- List Additional Insureds on page 3.
- List all dive professionals for the Retailer/Resort Instructional Policy on the form provided (#10265).
- Include Form 300DT for each dive professional insured under the Retailer/Resort Instructional policy.
- Read and sign Statement of Understanding on page 3.
- Mail or fax (do not mail a duplicate if faxed) to Vicencia & Buckley, a division of HUB International.

If your application is incomplete, it will be returned to you for completion.

ADDITIONAL INSURED

- As per existing policy if renewing
- New list of additional insureds (*use page 3 or separate sheet*)

PREMIUM PAYMENT

Upon receipt and review of the complete application, Vicencia & Buckley, a division of HUB International, will provide you with a total premium for your approval before coverage is placed. Upon your acceptance of the policy and premium, credit card information can be provided to V&B, or a check/money order mailed.

PLEASE ADD OUR DOMAINS
@hubinternational AND @diveinsurance
TO YOUR SAFE SENDERS LIST!

GENERAL LIABILITY INFORMATION – PLEASE PRINT CLEARLY, complete this form for each Multiple Location.

Estimated 12 months gross receipts: \$ _____ This should include all activities from your dive-related business **EXCEPT** instructional/supervision and travel receipts.

Do you have a pool on premises? Yes No If yes, is it used for non-diving activities, other than PADI Swim School? Yes No – If yes, contact V&B for a supplemental form.

Do you conduct recreational or business activities, other than diving, at your facility? *Please check below.*

- Cylinder hydrostatic testing
- Other equipment sales, please explain _____
- Other equipment repairs, please explain _____
- Other equipment rentals, please explain _____
- Other business activity, please explain _____

PROPERTY INFORMATION - Available in the U.S. and its territories only

Building Construction: Wood Frame Masonry Concrete

Do you have a Central Station Burglar Alarm? Yes No
(Burglary coverage is afforded only when an operational alarm is in place.)

Distance from Ocean/Gulf _____

Please indicate the amount of insurance required for each category below. The amount should include the replacement value for items such as store displays, fixtures, computers, furniture, equipment and tools (including rental equipment), property of others (employee scuba equipment stored on premises, customer repair equipment, etc.) and tenant improvements. Inventory value should be reported at your cost. PADI Members with multiple locations should complete this section for each location (see page 3).

Furniture, fixtures and equipment	\$ _____
Property owned off premises, including compressors	\$ _____
Inventory/Stock	\$ _____
Property of others	\$ _____
Tenant improvements	\$ _____
Signs	\$ _____
Other (please specify)	\$ _____
TOTAL	\$ _____

Do you own the building? Yes No

If yes, what is the replacement value? \$ _____

Please complete the following whether you own or rent the building:

What is the square footage of your building? _____

Year building was constructed? _____

Sprinklered? Yes No

Updates on plumbing, electrical, roof, etc. _____

Your premium is based on the total property value. This will be the full amount of coverage under the policy.

CLAIMS INFORMATION

Have you had any store property (fire, burglary, theft, etc.) or liability (slip & fall, other in-store liability) claims in the past five (5) years?

Yes No If yes, please list the date of the claim, the amount paid and any amounts outstanding. _____

Current insurance company _____

OPTIONAL COVERAGES

- Non-owned Auto Liability – \$100,000 limit; \$1,000,000 limit
- Travel Agents E&O Estimated 12 Months Gross Receipts for travel: \$ _____
- Additional Loss of Business Income \$ _____ (\$40,000 automatically quoted)
- Lake, quarry or pond – Please contact V&B for a supplemental form.
- Excess - \$1 million limit; \$2 million limit; \$3 million limit; \$4 million limit; \$9 million limit

ADDITIONAL POLICIES AVAILABLE (Please check the applicable boxes if you'd like a quote)

- Flood Insurance Workers Compensation (not available in all states)
- Employment Practices Liability

Retailer/Resort Group Professional Liability Policy

PADI Retailers and Resorts are able to secure professional liability insurance for the dive professionals who provide professional services for the store at a low group price. PADI Retailers & Resorts can now provide coverage for all agency dive pros. ** The price is computed according to the gross receipts for instructional and supervisory activities, regardless of the number of insureds.

Estimated 12 Months Gross Receipts for instructional/supervisory/EFR/Swimming revenue: \$ _____

Number of Instructors* _____ Divemasters/Assistant Instructors* _____ EFR/Swim Instructor _____

*Please complete form number 10265 and have each dive professional complete form number 300DT.

** Non-PADI Pros not to exceed 25% of those insured under the Retailer/Resort Instructional Policy.

STATEMENT OF UNDERSTANDING

Please Read and Sign

We (I) know and acknowledge that this policy does not provide any insurance coverage or defense for snow-ski rentals or snow-ski binding adjustments. No coverage is provided for firearms (this exclusion does not include spearguns). No coverage is provided under this policy for any professional liability except under the terms of the Contingent Professional Liability coverage. Professional Liability includes, but is not limited to, instruction of scuba diving and snorkeling or other forms of aquatic activity. The policy defines these and other exclusions as they apply. Burglary Coverage is afforded only with an operational Central Station Alarm (Policy Warranty). This policy does not provide coverage for Workers Compensation, Employers Liability, Employment Practices Liability, motorized watercraft or non motorized watercraft more than 20 feet in length.

Date _____ Print Name _____

Signed _____ Position _____

Additional Insureds

1. Employees are automatically covered under your store or resort operator's policy (does not include Professional Liability).
2. Divemasters and instructors may not be added as additional insureds.
3. Owners, officers and directors of your business are automatically covered under your policy and need not be added as additional insureds (does not include Professional Liability).
4. Additional names and addresses may be written on plain paper and attached to this application.

PLEASE PRINT CLEARLY

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Business Relationship _____

Multiple Locations

*** PADI Members with multiple locations may apply for a single policy to cover all locations. Under the multi-store policy, the single liability limit and policy aggregate is shared by all locations.**

If you have more than one facility and are submitting one application for multiple locations, complete page 2 for each location and complete the following: How many locations do you have? _____ Provide the address of each location and PADI Retailer or Resort Member number (*attach a separate sheet if necessary*).

Retailer or Resort Member Number _____

Facility Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Retailer or Resort Member Number _____

Facility Name _____

Address _____

City/State or Province _____

Zip or Postal Code/Country _____

Dive Charter Boat and Individual Professional Liability Insurance are also available.

If you are not a current PADI Retailer or Resort Member, please contact the PADI Retailer & Resort Department at your PADI Regional Headquarters for applications.

Frequently Asked Questions

Does one insurance policy provide coverage for General Liability and Property losses?

No. These are two separate policies that can be combined to provide the desired coverage. The General Liability policy is available globally (except where USA law restricts business activities of USA companies). The Property policy is available in the United States, its territories and possessions. Contact Vicencia & Buckley, a division of HUB International, for details.

What is meant by the Retailer/Resort Group Professional Liability Policy option?

Retailers and Resorts that purchase the General Liability insurance policy can choose to purchase professional liability insurance for staff members at a low group rate, regardless of the number of insureds. The policy limit under this option is \$1,000,000 (\$2,000,000 annual aggregate) per incident, for the retailer/resort and all professional staff members, regardless of the number of instructors/divemasters insured and/or involved in a claim. The coverage for the store and individuals is subject to all Exclusions and Conditions of the professional liability policy.

Does the General Liability policy cover "Tec Rec" services provided by the dive store/resort?

Yes. Coverage includes: equipment sales, rentals, repair and gas fills.

Does my store policy cover me if I'm sued by a staff member for wrongful termination, hostile work environment or other similar employment practices claims?

No. In order to have coverage for these types of claims, you must secure an "Employment Practices Liability (EPL) policy designed specifically to cover these types of claims. Vicencia & Buckley, a division of HUB International, does have an optional EPL policy available for PADI Members in the United States, its territories and possessions. Contact Vicencia & Buckley, a division of HUB International, for details and an application.

What is "co-insurance" mentioned on the Property policy?

"Co-insurance" refers to an often-overlooked requirement of store contents insurance coverage. A co-insurance requirement means that the insurance company stipulates that the retailer insures a given percentage of his store inventory value (usually 80%). If the retailer insures for less than the co-insurance requirement, then reimbursement for a loss will be decreased, even if the loss is less than the value insured. For example, suppose your inventory is \$100,000 and your policy has an 80% co-insurance requirement. In this case, you must insure at least \$80,000 of your inventory. If you insured only \$50,000, for example, you would be paid only

five-eighths (\$50,000 divided by \$80,000) of any claim in the event of a loss. For a \$10,000 loss, you would only be reimbursed \$6250, even though you insured \$50,000 of your inventory.

When an insurance company includes a co-insurance clause, it can reduce what it pays for a loss. Unfortunately, many retailers overlook co-insurance clauses, which are typically "hidden" in the fine print, and may not be understood until it's too late. (The PADI-endorsed policy does not have a co-insurance clause.)

How does the Business Income coverage, which is part of the Property policy, work?

A Business Income loss is lost net income resulting from a direct loss from a covered peril, such as a fire or windstorm. A Business Income loss is not covered unless it is directly caused by covered damages to the insured property.

For example,* if the building suffers a fire (covered peril) and the business is unable to open for a period of time, the Business Income coverage will respond. However, if the building damage is due to earthquake (or flood/wave action), which is not a covered peril under this policy, the Business Income coverage will not respond. Also, Business Income losses must be proven by your financial records in order to verify your loss.

What is "Business Income From Dependant Property" coverage, which is part of the Property policy?

If income is received from property you do not occupy, such as a hotel/resort, and that property is damaged by a peril covered in your policy, you are covered up to \$5,000 for loss of Business Income from that "dependant" property.

Does the Property policy provide coverage for wave action, flood or earthquake?

No. In order to have coverage for these perils, you must secure a policy designed specifically to cover these types of losses. Vicencia & Buckley, a division of HUB International, does have optional flood and earthquake policies available. Contact Vicencia & Buckley, a division of HUB International, for details and an application. It's important to note that since the Property policy does not cover flood or earthquake perils, no other coverage afforded by the Property policy such as "Business Income" coverage or "Business Income from Dependent Property" will apply.

If I sell my store, can I transfer my policy to the new owner?

No, the new owner must obtain a new policy.

** Subject to policy terms and conditions.*



For information and quotes, contact PADI's Insurance Agent, Vicencia & Buckley, a division of HUB International
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