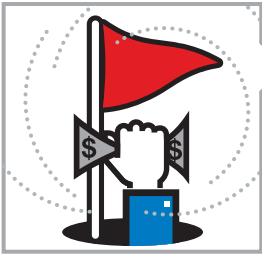




Have you imagined everything that can close your doors in the Age of Disruption? We have.

You know that queasy, uneasy feeling you get when you think about all the pitfalls that could be lurking outside your front window, just waiting to pull the welcome mat out from under your business? Imagine how much better you'd feel if you could put your mind at ease.

Here are some of our best ideas about how to protect your retail business from serious snags, so the Age of Disruption doesn't take the wind out of your sales.



Disruption #18: Profits sink into an unexpected hazard

A golf shop's revenues take an unexpected dip during the high-traffic summer months. When the owners start monitoring their security video, they discover a trusted employee has been skimming money from the register and pilfering clubs, balls and other merchandise from inventory. Of course, most employees play fair, but retailers can't ignore the fact that employee theft in the U.S. accounts for 43% (\$18 billion) in shrinkage and lost revenue per year.¹ **Master Pac**SM offers protection for Employee Theft and Dishonesty to cover theft of money, property or inventory by an employee. This is a valuable feature that many insurers don't automatically include in a standard Business Owners Policy (BOP). We do – and our coverage is better than par.



Disruption #901: Definitely not a DIY project

During a hurricane, a tree falls onto overhead power lines, causing a two-day outage at the local hardware store. The retailer's business operations are suspended. Customers can't fix up their homes with the tools, equipment and other supplies they need until power is restored and the retailer can resume selling.

Power Pac PremierSM offers protection from interruption of utility services to a client's location, so the hardware store owner has coverage up to \$25,000* for each location listed on the policy.

*State specific limits may apply.



Disruption #168: Let's get this party started (again)

A popular brick-and-mortar party supplies store has seen its online sales go bananas. Business is booming until an electrical storm hits. A power surge fries a laptop, two electronic registers and both the inventory and order management systems. Customer data is lost, orders can't be taken, and merchandise can't be shipped. Fortunately the party planner in chief purchased **Master Pac** protection with Computer Equipment, Data & Media (aka EDP coverage). This covers loss or damage to computers, computer-based register systems, computer hardware, software management systems and electronic data – including customer, delivery and inventory data.



Disruption #391: Let the dough rise a second time

A bakery owner who rents space in a strip mall is nervous about a rash of smash-and-grab burglaries in her quiet neighborhood. One morning, her fears are realized. Her storefront window is broken, ingredients and supplies are missing, and graffiti is sprayed across the walls. **Master Pac** automatically provides coverage up to the Business Personal Property (BPP) limit to reimburse business tenants for the cost of damage related to vandalism, robbery or theft, or attempted theft to rented property – provided the insured is contractually obligated to pay for such damage.

An important note! If your business has an Electronic Vandalism loss – for example, if a hacking event, virus or malware burns your transactional website – you also have coverage, with a \$25,000 sublimit. You'll find our coverage is sweeter than most.

Here are some of our best ideas about how to protect your company from serious snags – so you can take care of business in the Age of Disruption.



Disruption #267: All that glitters is not protected by the firewall

An upscale jeweler caters to a stylish clientele with expensive tastes. The store enjoys a 24k reputation until a good customer reports fraudulent activity on her platinum card. Then the same thing happens to another customer. Then a dozen more. In less than a day, the malware that infected the point-of-sale terminal, and stole customer data, is found and fixed. But the store's good name is tarnished in the papers and social media.

High-end hackers are devious, and always on the prowl for new ways to exploit holes in a retailer's cybersecurity. In fact, almost half of all retail businesses consider cyber risks and data breaches to be their greatest concern.² **CyberFirst Essentials® – Small Business** helps protect your bottom line from the costs of failing to prevent unauthorized access to, or use of, customer identity information. Covered expenses including customer notification (often mandatory), credit monitoring, forensic fees to identify the cause of the data breach, and public relations expenses. It also covers legal defense fees, damages, including court-awarded judgments, as well as payment card penalties* and chargebacks from credit card companies.

*Covered if agreed upon in a merchant service agreement.



Disruption #63: No more moves

Days before the start of the holiday shopping season, a toy store is banking on the arrival of 500 copies of the season's most highly anticipated video game. Then the shipment is postponed indefinitely because a fire ripped through their primary supplier's warehouse, destroying the merchandise. There's no way to obtain stock from other suppliers this late in the game. But the store's owners have one more power-up to play. **Master Pac** provides coverage for the store owners' revenue loss when a major supplier is impacted by a covered cause of loss – up to \$10,000 in our standard policy and up to \$25,000 with our **Power Pac Premier** endorsement.



Disruption #704: 80% of winning is showing up

A trophy store sends out a large shipment of medals and plaques for a tots' soccer league awards ceremony. Parents, coaches and players are eagerly anticipating the big event. So, when the store owner gets a call from the irate league president, she knows the delivery has gone out of bounds. **Master Pac** offers coverage up the BPP limit* to cover shipments from a business to a customer, or shipments to the business policyholder from a supplier, that are damaged or lost because of a covered cause of loss. This is truly trophy-worthy coverage, since most competitors restrict this limit.

*Shipments sent via US Postal Service are not covered.

These examples are a work of fiction – extremely plausible fiction.

The loss examples above are hypothetical illustrations. No actual clubs, gemstones or pastries were harmed.

¹Fortune, January 2015

²2015 Travelers Business Risk Index

