

Fast Food Restaurants Product

Claim Examples

- ▶ **Property:** While cooking French fries in the deep fat fryer, an employee decided to take a break. The grease overflowed from the fryer and quickly ignited in the flammable environment of the kitchen. The fire caused \$27,000 in **building** damage and \$9,500 in **business personal property** damage. In order to repair the damage, the fast food restaurant had to shut down for a month, causing a \$14,000 loss in income and \$10,000 extra expenses, including rents and payroll. This was included in the **business income with extra expense** coverage.
- ▶ **General Liability:** A customer of the fast food restaurant went to use the restroom, which had recently been cleaned by an employee. The tile floor area just outside of the restroom was still wet and the customer **slipped and fell**, breaking their arm. The customer filed a lawsuit against the fast food restaurant for pain and suffering, medical bills, and rehabilitation expenses.

The insured accepted a new vendor to provide their frozen hamburgers. A customer got a stomach virus from the tainted burger and filed a **products/bodily injury** claim lawsuit against the insured, alleging severe food poisoning.
- ▶ **Liquor Liability:** A pizza shop with takeout beer denied service to a patron who appeared intoxicated. The patron was later involved in an automobile accident. Despite denying service, the pizza shop was brought into the claim. Ultimately, the pizza shop was not found liable, but had to pay \$75,000 in defense costs.
- ▶ **Automatic Businessowners coverages:** The fast food restaurant installed a bright neon sign above the front door in order to attract new business. During a heavy windstorm in the middle of January, the **sign** fell to the ground smashing into pieces.
- ▶ **Value Plus:** An employee of the restaurant was going through tough financial times. They 'forgot' to turn on the alarm system when closing up for the night. No signs of break-in were evident, but the owner noticed inventory levels were repeatedly lower when this employee closed the store for the night. Cash in the register also was mysteriously low on these same nights. The insured notified the police, and also made an **employee dishonesty** claim, and a **money and securities** claim.
- ▶ **Equipment Breakdown:** The piping within the hot water heater ruptured from over usage, causing the fast food restaurant to have to shut down for 4 hours. An **equipment breakdown** claim was made.