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Transcript

Webinar | Expert Industry Panel

Business Owner's Policy (BOP) for Restaurants

Protection from Prep to Plate



Alex Montclair

Business Development Manager,
Primary Hospitality



Christine Lind

Restaurant BOP Program
Underwriter



Host - Ritchie Vener

Chief Growth Officer

Distinguished.

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Ritchie Vener:

Hello everybody and thank you for joining us for our webinar, Business Owner's Policy, or BOP, for Restaurants: Protection from Prep to Plate. My name is Richie Vener, and I'm the Chief Marketing and Growth Officer here at Distinguished Programs, and I'm very excited to be leading this discussion today with members of our Restaurant program team. We pride ourselves on having the experience, flexibility, and depth of expertise to help brokers get deals done, and this team really exemplifies that.

In case anyone would like the materials from today's webinar, we'll send all registrants a copy of the slides, the webinar recording, and a PDF with the questions and answers from today's session. If anyone has a question during the presentation, please use the Q&A button at the bottom of your screen, and we'll try to get to them towards the end of the webinar. If we run out of time, we'll make sure we include the answers to your questions in the materials that we send out so that way everybody sees the answers to it, not just the person who submitted the questions.

Distinguished Programs is a leading national insurance program manager providing specialized insurance programs for real estate, community associations, executive lines, inland marine, hotels, restaurants, fine art and collectibles, environmental and construction, professional and surety bonds. Our Restaurant program offers umbrella, package, BOP, and cyber coverage. During this 30-minute session, you'll hear directly from our underwriters about Distinguished's new Business Owner's Policy offering and how we can help you better support restaurant owners. So are you ready to expand your market with Distinguished? Let's get started.

Joining us today are Alex Montclair and Christine Lind. Alex brings over a decade of experience in the insurance industry, having started as a wholesale broker before working in the MGA space for the past seven years. In 2023, Alex joined Distinguished to spearhead business development initiatives within the Primary Hospitality program. Outside of work, Alex enjoys spending quality time with his wife and energetic four-year-old, exploring the diverse and scenic landscapes of North Carolina.

Christine brings more than 30 years of experience in the insurance industry, starting her career as an account manager and progressing to underwriting commercial package policies. In 2025, she joined Distinguished as an Underwriter for our newly launched Restaurant BOP program. Christine lives in North Idaho with her husband and two Jack Russell terriers. In her free time, she enjoys gardening, camping, and crocheting.

All right, let's jump right in. Alex, could you explain what is a Business Owner's Policy (BOP)?

Alex Montclair: A Business Owner's Policy, or BOP, is a convenient insurance solution that combines several key coverages into one policy. It's specifically designed for small business owners, in this case, restaurants, to help simplify their insurance decisions. A typical BOP includes property insurance, general liability, liquor liability, and hired and non-owned auto coverage. By bundling these essential protections, a BOP addresses many of the common risks that food service businesses face. It's often more affordable than purchasing each coverage separately.

Ritchie Vener: Christine, can you tell us why is a Business Owner's Policy particularly important for restaurants?

Christine Lind: Restaurants operate in a high-stress, fast-paced environment. Our BOP policy helps protect restaurants from various risks such as lawsuits, property damage, or loss of income due to unexpected events. We bundle essential coverages like liability, property, equipment breakdown, and business interruption insurance into one policy. Essentially, it's a smart safety net that helps keep the business running smoothly even when the unexpected happens.

Ritchie Vener: Can we write it in all states?

Christine Lind: Yes. We can provide coverage in all states with the exception of Alaska, Florida, Hawaii, and New York. I would like to point out that we do write new business in Florida and New York in our Restaurant Package program. They also provide a wide variety of coverage options that you probably won't find in our simplified BOP.

Ritchie Vener: The BOP, as I understand it, Alex, people submit it through our Broker Connect Portal. What's the advantage of submitting it through our Broker Connect Portal?

Alex Montclair: It's all about trying to make it as quick and easy as possible, so you can submit your restaurant BOP exclusively through our Broker Connect Portal. The portal is open 24/7 and once you submit it, we have a 24 to 48-hour response time. Just a reminder, to submit, you must be registered with Distinguished. The registration is on our website, and we're open and ready for you to go ahead and start doing business with us.

Ritchie Vener: Could you also tell me what type of restaurant businesses are eligible for Distinguished's BOP?

Alex Montclair: Our BOP insurance is available to a variety of restaurant businesses, including limited service or fast casual, casual dining, and upscale dining establishments. Limited service or fast casual restaurants typically offer higher quality food than fast food, with customers ordering at a counter and paying before eating, and many are takeout only. Casual dining restaurants with full table service are also eligible. They typically close by 10:00 PM, have liquor sales of 25% or less, and are locally owned. Also, our program includes small to mid-size upscale dining establishments that are less formal than traditional fine dining, generally closed by 11:00 PM, and maintain limited liquor sales.

We're constantly expanding. We're trying to figure out our footprint here. Reach out to Christine and I to figure out what's eligible. I'm happy to always answer questions.

Ritchie Vener: Christine, what coverage does our BOP program offer that are important to restaurant owners?

Christine Lind: Our BOP is designed for businesses that lease their space. Some of the important coverages for tenants include business income actual loss sustained, business income from dependent properties, outdoor property, food contamination, spoilage, identity fraud, and employee dishonesty. We also offer optional coverages, such as liquor liability, data breach (or cyber) protection, and higher liability limits of \$2M and \$4M.

Ritchie Vener: What doesn't a BOP cover?

Christine Lind: There are some important coverages that Distinguished's BOP does not provide. The two primary exclusions are workers' compensation and commercial auto insurance. We also do not include building coverage, employee benefits, or EPLI in our BOP. It's really important to know what your client's needs are.

Ritchie Vener: Speaking of the clients, different restaurants are different; they have different places, different types of restaurants. What influences the BOP's cost?

Christine Lind: The short answer is: it depends. The cost of a Business Owner's Policy will be based on gross sales, personal property, location, and building characteristics. Other factors that will influence pricing are the claims history, liability limits, and optional coverages. While there's no one-size-fits-all price, the good news is that our BOP bundles all the key coverages into one policy, which is more cost-effective than buying each coverage separately. And don't forget, we are in growth mode. We want to grow our BOP business throughout the US.

Ritchie Vener: Who is our carrier partner?

Christine Lind: Our BOP policy is written with Arch Insurance Company, an A+ admitted carrier, and is only available to Distinguished.

Ritchie Vener: Alex, how does Distinguished customize insurance solutions to meet the specific needs of restaurant orders?

Alex Montclair: We know that no two restaurants are exactly alike, so we can customize our insurance solutions to fit each business's specific needs. Restaurants face a wide range of exposures beyond the basics, and many standard commercial policies aren't built with that in mind.

What sets us apart is that our team truly understands restaurants. We work directly with brokers to make sure that the coverage is tailored to the way each restaurant operates, whether it's the type of dining model, the equipment they rely on, or the risk they face day to day. It's about delivering the right protection for each unique operation.

Ritchie Vener: How can we help a broker successfully sell a BOP to the restaurant clients?

Alex Montclair: There are a lot of ways to do this, but knowing our product, this is how I do it. Start by highlighting simplicity and value. A BOP bundles essential coverages like property, general liability, business income, and liquor liability into one policy, making it easier for restaurant owners to manage their insurance and potentially save money.

Speak their language, use real-world examples like spoiled inventory from a power outage or a customer slip and fall to show how a BOP protects against everyday risks.

Tailor your approach to their specific dining model, whether it's fast casual or upscale. Understanding their unique risks helps build trust and positions you as that knowledgeable, trusted advisor.

Address common coverage gaps like outdated property values or missing business income coverage, and show how a BOP can help build those without multiple separate policies.

Finally, make it easy to move forward. A fast quoting process and clear next steps can help you close the deal and stand out from the competition.

Ritchie Vener: What if the BOP isn't enough? They have other sorts of needs. What other products does Distinguished offer for restaurants?

Alex Montclair: In addition to the BOP, Distinguished also offers a robust package policy that combines property and general liability. For most accounts, you can also add EPLI, cyber, and liquor liability.

Our package policy covers the same eligible restaurant classes as the BOP, but expands to include other classes of business such as wine bars, off-premise caterers, and new ventures with experience. It's available nationwide, except Alaska. Any account that is submitted for BOP but is a better fit for our Package program will be automatically referred to a package underwriter.

To round out the coverage, we also offer a high-limit umbrella policy, up to \$130M, and standalone cyber options. Umbrella and standalone cyber are available in all 50 states. Together, these solutions give restaurants a comprehensive and flexible approach to protecting their businesses.

- Ritchie Vener: It sounds like we have a lot for the insurers, and that's critical, but our brokers are also very important. Why should brokers choose Distinguished's Restaurant Insurance program?
- Christine Lind: For starters, the submission process is easy. We've designed the portal to be fast and simple because we value your time. Once it's submitted, the underwriting team is notified quickly to start the review.
- Did I mention that we do not audit our BOP policies? There is no year-end hassle in trying to get your client, who's working 15-hour days, to submit their financials for review and worry about a cancellation happening in the process.
- Finally, you get exclusive access to an A+ rated carrier backed by a team focused on underwriting and service. It's truly top-tier protection for your agents that they can count on.
- Ritchie Vener: I'm going to switch from the pre-planned questions here to diving into some of the questions that were submitted in advance by brokers during the registration process. After that, if we still have time, we'll go live to today's attendee questions.
- First question, this is something we covered in a previous slide, but it doesn't hurt to repeat since someone submitted it. How do I submit business?
- Alex Montclair: The BOP is available exclusively on the Broker Connect Portal. Submit a BOP application directly on the Broker Connect Portal and we will review and respond within 24 to 48 hours. To submit business for our other products (package, umbrella, cyber), you'll need to fill out the applicable application and send to restaurants@distinguished.com. These applications can be found on the product page of the Distinguished website. You must be registered with Distinguished to submit business with us.
- Ritchie Vener: Someone asked who should I contact if I have additional questions?
- Alex Montclair: If you have any additional questions, feel free to reach me. My email is amontclair@distinguished.com or give me a call at 203-606-6580. For submissions or underwriting questions, you can also reach out directly to restaurants@distinguished.com. We're always happy to help.
- Ritchie Vener: How does the BOP product respond to catering as an ancillary revenue stream?
- Christine Lind: When catering is performed for off-site events and staffed by restaurant employees, it is out of appetite. If catering involves only dropping food off and is incidental to the restaurant operation, we will consider it in the Restaurant BOP program. More robust catering exposures are considered in our Restaurant Package program.

Ritchie Vener: Will we offer an umbrella product?

Alex Montclair: We offer a \$1M excess policy over our Restaurant BOP. We also offer \$2M/\$4M GL limits as part of the primary Restaurant BOP. If a risk requires higher limits, we have a monoline umbrella product that will sit over our BOP with limits from \$5M to \$130M.

Ritchie Vener: Are there requirements for recurring vendor services such as hood cleaning and maintenance, and what about special events at restaurant locations?

Christine Lind: There are two separate questions on this one, so I'll try to separate them. The first one is that restaurants are required to perform periodic maintenance and keep records. So this is important for every restaurant. Our policy has an endorsement that requires all kitchen operations to be in full compliance with the standard NFPA 96. Failure to comply could result in a denial of a claim.

The other question about special events, this really requires individual underwriting and depends on the size of the event on the premises. Off-premises special events are going to be out of appetite.

Ritchie Vener: It looks like we're running out of time, we'll send all the registrants a copy of the slides, the webinar recording, and a PDF with the questions and answers from today's session, including the ones submitted in the chat here during the webinar.

Feel free to reach out directly to Alex and Christine. If you enjoyed today's webinar, stay up to date on our latest events by following us on social media. We post about insurance, market insights and industry news, and you'll learn about the latest free webinars, eBooks, and case studies.

So I'd like to thank everybody who joined us for today's webinar and especially to our panelists, Alex Montclair and Christine Lind, for sharing their valuable insights.

Alex Montclair: Ritchie, everybody attended, thank you so much. I hope you guys have a safe 4th.

Christine Lind: Thank you.

Ritchie Vener: Thank you guys. We hope you found this information useful and that you now have some insights into our new BOP program so you can better support your clients. And remember, our underwriters will be available to answer any follow-up questions you have. Thank you for joining us today, and please join us at the next webinar. Thanks everybody.

Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Eligibility & Appetite

Q: What types of restaurants are eligible?

A: Our Restaurant BOP program is available for the following restaurant segments:

- **Limited-service restaurants** (also known as “fast casual”): Customers order and pay at the counter. The food quality and ambiance are a step up from traditional fast food. Some locations may be takeout only.
- **Casual/family restaurants**: These offer full table service, typically close by 10:00 PM, have liquor sales of 25% or less, and are locally owned.
- **Small to midsize upscale dining establishments**: Less formal than traditional fine dining, these restaurants generally close by 11:00 PM and have limited liquor sales.

Note: Restaurants with a full bar may be a better fit for our Restaurant Package program.

Q: What are the ineligible risk characteristics?

A: Some common reasons for Restaurant BOP declination include, but are not limited to, the following:

- Liquor receipts over 25% (may be eligible for our Restaurant Package program)
- Ineligible entertainment including karaoke or trivia nights
- Non-sprinklered and TIV over \$1M (may be eligible for Restaurant Package program)

Q: Are new ventures eligible for the Restaurant BOP program?

A: New ventures are not eligible for the Restaurant BOP program. Submissions must include at least one location that has been open for a year or more. Our Restaurant Package program accepts new ventures, and submissions may be sent to restaurants@distinguished.com.

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Below are additional attendee questions we could not address during the session.

Q: Do you accept restaurants with multiple locations or small chains?

A: Yes, we do accept multi-location and small chain restaurants. Eligibility will depend on certain factors such as the business type and revenue.

Q: Will you consider restaurants with ancillary operations like catering or delivery?

A: When catering is performed for off-site events and staffed by restaurant employees, it is out of appetite. If catering involves only dropping food off and is incidental to the restaurant operation, we will consider it in the Restaurant BOP program. More robust catering exposures are considered in our Restaurant Package program.

Q: Will you consider a risk where food is cooked at one location and sold at another?

A: Possibly. More details would be required to underwrite.

Q: Will you write restaurants in resort areas where liquor receipts exceed 35–40%?

A: This would be ineligible for the Restaurant BOP but would be considered in the Restaurant Package program.

Q: Will you write BYOB establishments?

A: Yes, we will write BYOB establishments.

Q: Will you consider wine bars or establishments with high liquor-to-food sales ratios due to premium pricing?

A: The Restaurant BOP is not designed for establishments with high liquor-to-food ratios. A wine bar could be considered in our Restaurant Package program, but we still require that there be more food revenue than liquor.

Q: Will you consider restaurants that include wine manufacturing (done off-site)?

A: This exposure is ineligible for the Restaurant BOP and Package program.

Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Q: Are restaurants with wood-fired ovens, rotisseries, solid fuel cooking, tandoors, or shawarma machines eligible?

A: Yes, subject to individual risk underwriting. An inspection of the location may be required and the restaurant must comply fully with NFPA 96.

Q: In which states is the program available? Do restaurants need to be located in major cities?

A: We write the Restaurant BOP nationwide, except AK, HI, FL, NY. Our Restaurant Package program is available in all states except AK.

Restaurants can be located anywhere in the state keeping in mind that the protection class must be from 1-5.

Q: Is outdoor cooking or BBQ eligible?

A: No, outdoor cooking or BBQ is not eligible for our Restaurant BOP program.

Q: Are tabletop cooking restaurants eligible?

A: Tabletop cooking restaurants are not eligible for BOP. Hibachi restaurants specifically will be considered in our Restaurant Package program. Restaurants where customers are cooking their own food (e.g. hot pot or Korean BBQ) are not eligible for our Restaurant programs.

Q: Are restaurants with smokers or grills eligible?

A: Smokers are not eligible. Grills may be eligible depending on the type.

Q: What are your crime score requirements?

A: There are no specific crime score criteria, but we may utilize crime scores in our underwriting process.

Q: Will you write restaurants with mixed-use buildings or residential units above?

A: Yes, restaurants located in mixed-use buildings or with residential units above are eligible.

Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Q: Are properties in Tier 1 coastal areas eligible?

A: If a restaurant is located within 50 miles of the coastline in AL, GA, MS, NC, SC, and TX, it is ineligible for the Restaurant BOP but could be eligible for our Restaurant Package program. In other states, a wind deductible may apply to Tier 1 coastal locations.

Q: Are restaurants with food trucks eligible?

A: Food trucks are not eligible for our Restaurant BOP program. We are just starting to entertain food trucks in our Restaurant Package program.

Q: Will you write restaurants located within professional sports facilities?

A: No, we will not write restaurants located within professional sports facilities.

Q: What roof types are acceptable (e.g., are asphalt roofs a concern)?

A: Since our Restaurant BOP is designed for tenants and building coverage is not offered, roof type is not a specific concern. Risks that require building coverage should be submitted to our Restaurant Package program.

Q: Will you consider restaurants without sprinkler systems?

A: Yes, we will consider restaurants without sprinkler systems for all construction types except frame.

Note: TIV must be under \$1M if not fully sprinklered, regardless of construction.

Q: Are there restrictions on building age or construction type?

A: Yes, buildings over 30 years old must have more recent updates.

Q: Are PC 9 frame buildings eligible?

A: No, eligible restaurants must be located in PC 1-5.

Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Coverage & Program Structure

Q: What is the difference between the Restaurant BOP and Package policy?

A: In addition to the differences in eligibility criteria as discussed throughout this document, our Restaurant BOP and Package policies differ with respect to some coverages. A couple of examples are:

- The BOP is designed for smaller risks and offers lower sub-limits on certain restaurant enhancements than the coverage limits available in our Restaurant Package program.
- The BOP offers business income coverage on an actual loss sustained basis, which is not available in our Restaurant Package program.

Q: What are your property and general liability deductible options?

A: Our Restaurant BOP deductible options are \$1,000, \$2,500 and \$5,000 for property. We do not offer GL deductibles.

Q: Does Arch write both the Restaurant BOP and Package products?

A: Yes, Arch Insurance Company is the carrier for both products. All underwriting for both is performed by our experienced restaurant underwriters at Distinguished.

Q: What is your maximum Total Insurable Value (TIV)?

- A:
- Non-sprinklered locations: \$1M is the max TIV.
 - Sprinklered locations: \$5M is max TIV.
 - \$10M is the max TIV for all locations combined.

Q: What are the minimum and maximum annual revenue limits?

A: Minimum is \$250K and maximum is \$5M in total.

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Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Q: What is the maximum limit you offer for contents coverage?

A: The maximum TIV per location is \$5M. There is no separate maximum for contents (BPP).

Q: Do you provide coverage for building owners or only tenant-occupied risks?

A: Restaurants that require building coverage will be considered in our Restaurant Package program and are not eligible for the BOP at this time.

Q: Is there a threshold or maximum percentage allowed for liquor sales? Is 25% a hard limit, or is there flexibility?

A: Typically, restaurants with liquor sales over 25% are going to be a better fit for our Restaurant Package program. If sales are only slightly over 25%, we may consider an exception subject to additional underwriting information.

Q: Will you offer an umbrella product?

A: We offer a \$1M excess policy over our Restaurant BOP. We also offer \$2M/\$4M GL limits as part of the primary Restaurant BOP. If a risk requires higher limits, we have a monoline umbrella product that will sit over our BOP with limits from \$5M to \$130M.

Q: Do you offer liquor liability coverage, including host liquor liability?

A: Our Restaurant BOP policy is designed for restaurants that have liquor sales of 25% or less. We do not write host liquor.

Q: Do you cover tenants, betterments, and improvements?

A: Yes, tenants, betterments, and improvements should be included in the Business Personal Property (BPP) limit when entering information in the portal.

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Below are additional attendee questions we could not address during the session.

Q: What are the liquor liability coverage limits, and are there sub-limits?

A: Liquor liability limits are \$1M/\$2M. There are no sub-limits.

Q: Can you provide excess liquor liability or umbrella coverage over liquor liability?

A: Yes. We offer a \$1M excess policy over our Restaurant BOP, including liquor liability coverage. We also have a monoline umbrella program that will go over our Restaurant BOP that starts at a limit of \$5M and goes up from there.

Q: Do you offer cyber liability coverage on the Restaurant BOP?

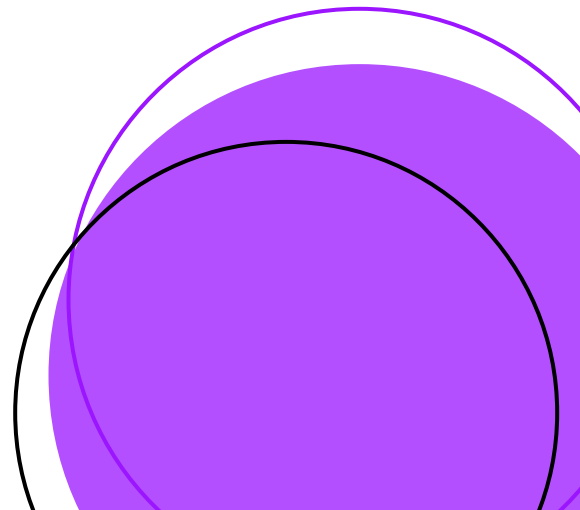
A: Data Breach is available as optional coverage. We also have a robust Monoline Cyber program that can be quoted alongside our Restaurant BOP.

Q: Are assault & battery exclusions present in the policy?

A: Our Restaurant BOP policy does not exclude assault and battery.

Q: Do you offer Hired and Non-Owned Auto coverage? If so, when is it offered and can it be added for delivery operations?

A: Yes, hired non-owned auto coverage is included in our Restaurant BOP policy, provided that any delivery is performed exclusively by a third-party vendor such as Grubhub or UberEats. If delivery is performed by restaurant employees, hired and non-owned coverage will not be available through the Restaurant BOP or Package programs.



Business Owner's Policy (BOP) For Restaurants

Below are additional attendee questions we could not address during the session.

Supplementals & Submission Process

Q: How do I submit business?

A: Submit a Restaurant BOP application directly on the [Broker Connect portal](#). We'll review and respond within 24-48 hours.

Q: Is there a specific supplemental application for the restaurant BOP, or can brokers use standard ACORD forms?

A: Distinguished's Restaurant BOP policy is available exclusively on the Broker Connect portal. There are no supplemental applications or ACORD forms.

Q: How many years of loss runs are required?

A: This varies with the size and type of risk. We may require up to 4 years of currently valued loss runs for certain accounts while others may not require any loss runs.

Q: What is the commission rate for new and renewal business?

A: 12% for BOP and 10% for excess (applies to both new and renewal business).

Q: Are audits conducted? What is the rating basis?

A: We do not audit our Restaurant BOP policies.

Q: Who should I contact if I have additional questions?

A: If you have additional questions, please contact Alex Montclair at amontclair@distinguished.com or by phone at (203) 606-6580. For submission or underwriting questions, feel free to email restaurants@distinguished.com.

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How to Register Your Agency



1.

Go to

www.distinguished.com/site/brokers/

2.

Click on

'Launch Broker Portal'

3.

Login to quote, bind and issue
in real time

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