

# HOME BASED BUSINESS

## Office:

Accounting  
Billing  
Bookkeeping  
Business Consulting  
Calligraphy  
Career Consulting  
Computer Consulting  
Counseling  
Desktop Publishing  
Financial Planning  
Freelance Writing  
Graphic Art  
Insurance Agency  
Mailing and Addressing  
Public Relations  
Real Estate Agent  
Resume Writing  
Telephone Answering  
Tutoring  
Word Processing

## Service:

Aesthetician  
Barber  
Beautician  
Camera Repair  
Clock, Jewelry, or Watch Repair  
Computer Repair  
Dressmaker, Seamstress, or Tailor  
Flower Arranging  
Furniture Upholstery  
Hair Stylists  
House Sitting  
Instruction (music, etiquette, etc)  
Interior Decorating  
Manicurists  
Musical Instrument Repair  
Personal Shopper  
Photography  
Picture Framing  
Printer

## Retail:

Antiques  
Art Supplies  
Art Work  
Books, Magazines, and Videos  
Candles  
Clothing  
Coins and Stamps  
Collectibles  
Cosmetics  
Costume Jewelry  
Decorative Housewares  
Gifts  
Household and Kitchen Products  
Personal Care Products  
Plants and Flowers  
Stationery and Paper Products  
Tackle and Bait  
Toys  
Vitamins and Health Care Products

## Crafts:

Baskets  
Candles  
Ceramics  
Decorative Clothing  
Dolls  
Fabrics  
Flower Arrangements  
Glass  
Jewelry  
Metal Work  
Needlework  
Quilts  
Sculptures  
Wall Hangings  
Wind Chimes  
Wood Products  
Wreaths

Shoe Repair  
Videotaping  
Wedding or Party Planning

**Food:**

Baked Goods  
Beverages (coffee and tea, no alcoholic beverages)  
Candy, Nuts or Confections  
Canning (jellies and jams)  
Deli Foods  
Fruit and Vegetable Stand (no pick your own operations)  
Gourmet Foods  
Picnic Baskets

**Bed & Breakfast:**

No more than 6 rooms

**HOME-BASED BUSINESS**

**PROGRAM**

**WISCONSIN**

**WISCONSIN REINSURANCE CORPORATION**

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**INTRODUCTION**

This manual contains rules, classifications, and rating information for insuring the property, loss of income, and liability exposures related to a home-based business.

Refer to the company for home-based business options not available through this manual. Special rules, rates, forms, or endorsements filed by or on behalf of the company apply in lieu of those referred to in this manual.

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### **RULE 1 – ELIGIBILITY**

Home-Based Business Coverage can be provided in conjunction with a Homeowners, Mobile-Homeowners, or Farmowners policy to cover the property and liability exposures of a small business that is conducted in the covered residence or in a related private structure on the insured premises. (When the business is conducted in a related private structure, coverage for the structure itself is not provided unless the structure is specifically scheduled. See Rule 6.1.1.)

Eligible classifications include the following operations: Office, Service, Retail, Crafts, Food, and Bed and Breakfast. A general description of eligible and ineligible risks follows. Refer to the classification pages for additional considerations, if any, for each class.

#### **1.1 Eligible Risks**

The following characteristics must be met for a business to be eligible for Home-Based Business Coverage:

- **Classifications Other Than Bed and Breakfast**

The home-based business must be owned or operated by one or more persons who are insureds for both property and liability coverage according to the terms of the underlying policy.

- **Bed and Breakfast Classification**

A Bed and Breakfast must be owned and operated by one or more persons who are insureds according to the terms of the underlying policy. In addition, no more than six rooms may be rented or held for rental to overnight guests.

- **All Classifications**

The business use of the premises must be incidental to its use as a residence. With the exception of the business occupancy, the risk must otherwise meet the eligibility requirements of the underlying program.

Gross annual receipts must not exceed \$250,000.

The insured must not conduct business operations at a different permanent location with the same legal name as the home-based business.

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The number of employees must not exceed three. This includes family members who are volunteer workers for the home-based business.

Refer to the company for risks that do not comply with these minimum eligibility standards.

### **1.2 Ineligible Risks**

Refer to the company to determine the eligibility of the following:

- Contracting Businesses that offer installation services
- Child and Adult Care Services
- Home Health Care Services
- Lawn Care Services
- Dog Kennels/Dog Grooming Services
- Risks with more than a single business conducted on the premises. An exposure covered by endorsement ML-42, Office, Professional, Private School, or Studio Occupancy, may not invalidate the eligibility of another home-based business for coverage under the ML-450; refer to the company. Also refer to the company regarding the eligibility of a second home-based business when endorsement ML-157, Care Provided for Others, is attached to the policy.

Also refer to the notes in the Classifications Section for other ineligible risks.



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### **RULE 2 – COVERAGE DESCRIPTION**

Coverage Part ML-450 provides coverage for the property and liability exposures of the business described on the Home-Based Business Supplemental Declarations Page. The following is a general description of those coverages.

#### **2.1 Principal Property Coverages**

The Home-Based Business Coverage Part extends the property coverage provided by the underlying policy as follows:

**Coverage B – Related Private Structures** – Coverage is extended to include structures used for storage of property of the covered home-based business. Coverage is not automatically extended to cover structures used for both storage of business property and for other business purposes. Coverage for private structures used for business purposes other than storage may be provided for an additional charge. See Rule 6.1.1.

**Coverage C – Personal Property** – Coverage is extended to include the personal property of the home-based business:

- when no other special limit applies, up to the Coverage C limit while the property is on the insured premises; and
- when no other special limit applies, up to \$5,000 while the property is away from the insured premises, unless otherwise shown on the Home-Based Business Supplemental Declarations Page (Rating information for higher limits is shown in this manual.)

These extensions do not increase the Coverage C limit.

The special limits referred to above are found under Coverage C, Limitations on Certain Property, in the underlying policy.

When replacement cost loss settlement terms apply to Coverage C in the underlying policy, replacement cost terms will also apply to the property of the business covered by the Home-Based Business Coverage Part except for:

- business property leased to an insured; and
- property of others in an insured's care for business purposes.

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### 2.2 Principal Liability Coverages

The following liability coverages are provided by the Home-Based Business Coverage part:

**Coverage L** – Coverage L is extended to pay for damages due to bodily injury and property damage arising out of the home-based business. For an additional charge, Coverage L may also be extended to pay for damages due to personal injury and advertising injury arising out of the home-based business. See Rule 6.2.3.

Payment under Coverage L for claims arising out of the home-based business is subject to the General Aggregate Limit or the Products/Completed Work Hazard Aggregate Limit. The aggregate limits are described below.

**Coverage M** – Coverage M pays for medical expenses for bodily injury arising out of the home-based business. The bodily injury must be caused by an accident on premises owned by or rented to the named insured or result from the named insured's operations.

Payment under Coverage M for claims arising out of the home-based business is subject to the General Aggregate Limit. The General Aggregate Limit is described below.

#### 2.2.1 Basic Limits

The following limits apply to the liability coverages:

**Coverage L Limit** – Subject to the General Aggregate Limit and the Products/Completed Work Hazard Aggregate Limit, the Coverage L limit shown on the declarations of the underlying policy is the most that will be paid for each occurrence for damages arising out of the home-based business covered under Coverage Part ML-450.

This does not increase the Coverage L limit.

**Coverage M Limit** -- Subject to the General Aggregate Limit, the Coverage M limit shown on the declarations of the underlying policy is the most that will be paid for medical expenses due to bodily injury sustained by one person in an accident arising out of the home-based business.

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If a per accident limit is shown for Coverage M on the declarations page of the policy to which the Home-Based Business Coverage Part is attached, it does not apply with respect to the home-based business.

### 2.2.2 Aggregate Limits

**General Aggregate Limit** – The rating information reflects a General Aggregate Limit equal to twice the Coverage L limit. Show the General Aggregate Limit on the Home-Based Business Supplemental Declarations Page.

The General Aggregate Limit is the most that will be paid during the policy period for:

- all damages under Coverage L (except as stated below) for bodily injury, property damage, personal injury, or advertising covered under the Home-Based Business Coverage Part;
- all medical expenses under Coverage M covered under the Home-Based Business Coverage Part; and
- all payments for fire legal liability and damage to property of others covered under the Home-Based Business Coverage Part.

Damages under Coverage L for bodily injury and property damage included in the definition of products and completed work hazard are subject to the Products/Completed Work Hazard Aggregate Limit.

**Products/Completed Work Hazard Aggregate Limit** – The rating information reflects a Products/Completed Work Hazard Aggregate Limit equal to the Coverage L limit. Show the Products/Completed Work Hazard Aggregate Limit on the Home-Based Business Supplemental Declarations Page.

The Products/Completed Work Hazard Aggregate Limit is the most that will be paid during the policy period for all damages due to bodily injury or property damage included in the definition of products and completed work hazard.

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**RULE 3 – COVERAGE WRITING INSTRUCTIONS**

**3.1 Policy Format**

Coverage Part ML-450 can be issued in conjunction with the following policies:

- Homeowners
- Mobile-Homeowners
- Farmowners

The coverage provided by the ML-450 relies on the terms and conditions of the policy to which it is attached. It is not designed for use on a stand-alone basis.

Show the applicable limits and describe the coverages on the Home-Based Business Supplemental Declarations Page.

**3.2 Home-Based Business Coverage Date**

The liability coverage provided by the ML-450 applies to damages for bodily injury and property damage arising out of the home-based business described on the Home-Based Business Supplemental Declarations Page. The bodily injury and property damage must occur during the policy period and be caused by an occurrence, which takes place in the coverage territory.

If the home-based business was not insured prior to the inception date of the ML-450, the ML-450 inception date can be designated as the Home-Based Business Coverage Date and coverage can be restricted to apply only to occurrences that take place on or after that date.

Show the Home-Based Business Coverage Date on the Home-Based Business Supplemental Declarations Page. The initial Home-Based Business Coverage Date cannot be changed as long as the Home-Based Business Coverage Part is renewed for continuous policy periods.

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### **3.3 Mortgage Provision**

The interest of a mortgagee can be protected if it has a financial interest in real property owned by the insured and used in the home-based business operations.

Show the mortgagee on the Home-Based Business Supplemental Declarations Page.

### **3.4 Loss Payable Options**

When special loss payable terms are required for personal property, use the loss payable options under the Home-Based Business Coverage Part. The options can be used when another party has a financial interest in the property of an insured and requires status as a loss payee under the insurance covering the property.

Show the loss payee on the Home-Based Business Supplemental Declarations Page, describe the property subject to the loss payable terms, and indicate the loss payable option selected.

#### **Loss Payable – Option 1**

This option requires the insurer to pay claims jointly to the insured and the loss payee as their interests may appear.

#### **Lender's Loss Payable – Option 2**

This option includes provisions similar to the standard mortgage provisions in the policy to which the Home-Based Business Coverage Part is attached, except that it is not limited in its application to buildings or structures.

#### **Contract of Sale – Option 3**

This option is used when the insured is in the process of buying or selling property and both the seller and the buyer have insurable interests in the property.

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**3.5 Minimum Premium**

At the option of the company, a minimum annual premium charge can apply to the ML-450. Refer to the company for the applicable charge.

**3.6 Interpolation**

Rating information for a limit that is between two limits shown in this manual can be developed by interpolation.

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**RULE 4 – DEDUCTIBLES**

The extension of the principal and incidental property coverages provided by Coverage part ML-450 are subject to the deductible terms of the underlying policy; however, no deductible applies to the incidental coverage for Signs added by the ML-450.

The policy deductible amount also applies to the optional coverages available for Related Private Structures and Guests' Personal Property. A separate deductible provision applies to the optional Spoilage coverage.

Neither the optional coverages for Accounts Receivable and Loss of Income, nor the Liability Coverages, are subject to a deductible provision.

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### **RULE 5 – PREMIUM DETERMINATION**

The rating information shown in this manual applies to coverage periods on one year.

Step 1 – Select the classification from the classifications section.

Step 2 – Determine the basic premium based on the rating information shown in this manual for the applicable classification and the Coverage L limit and, for a Bed and Breakfast, the number of guest rooms.

Step 3 – If the policy is issued with a Medical Payments Per Person limit greater than \$1000, add the higher medical payments increment shown in this manual to the result of Step 2.

Step 4 – If the home-based business is a Bed and Breakfast and the retail sales are expected to exceed 25% of the Bed and Breakfast operations' total receipts, add the incidental sales rating information shown in this manual to the result of Step 3 based on the Coverage L and M limits.

Step 5 – If the home-based business is a Bed and Breakfast and a hot tub or swimming pool is provided for use by guests, add the rating information shown in this manual for each swimming pool or hot tub provided for use by guests to the result of Step 4.

Step 6 – If the home-based business is a Bed and Breakfast which includes a fireplace in a guest room, add the rating information shown in this manual for each fireplace located in a guest room to the result of Step 5.

Step 7 – If coverage options are selected add the rating information for the applicable coverage options shown in this manual to the result of Step 6.



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**RULE 6 – COVERAGE OPTIONS**

The provisions for the following coverage options are included in Coverage Part ML-450. Each option can be activated by making the appropriate entry on the Home-Based Business Supplemental Declarations Page.

**6.1 Property Coverage Options (See Rule 6.3 for Additional Bed and Breakfast Options)**

**6.1.1 Related Private Structures**

When the business is conducted in a related private structure on the insured premises, coverage can be extended to the structure for loss caused by the perils that apply to Coverage B.

Indicate that this option applies by describing the related private structure and showing the corresponding limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium for each structure, multiply the related private structures rating information shown in this manual by the limit in thousands.

**6.1.2 Accounts Receivable**

Coverage against physical loss, with certain exceptions, can be provided for accounts receivable. This includes sums that cannot be collected from customers because the records were damaged or destroyed, the cost to reconstruct damaged or destroyed records, increased collection costs, and interest on loans used to offset losses prior to receipt of insurance proceeds.

This coverage is not subject to a deductible.

Indicated that this option applies by showing the accounts receivable limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, multiply the accounts receivable rating information shown in this manual by the limit in thousands.

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### **6.1.3 Loss Of Income**

Coverage for loss of earnings and extra expense can be provided for up to one year when the business is interrupted by a loss caused by a peril insured against.

This coverage is not subject to a deductible.

Indicate that this option applies by showing the loss of income limit without utility interruption on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, multiply the loss of income rating information without utility interruption shown in this manual by the limit in thousands.

When the coverage described above applies, the Home-Based Business Coverage part can be further extended to provide additional coverage for loss of earnings and extra expense resulting from the interruption of specified off-premises utilities caused by covered perils.

Indicate that this option applies by showing the loss of income limit with utility interruption on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the loss of income rating information with utility interruption shown in this manual.

### **6.1.4 Spoilage**

Coverage can be provided for loss to perishable stock caused by the perils of breakdown, contamination, and power disruption.

This coverage is subject to a \$250 deductible unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that this option applies by showing the spoilage limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, multiply the spoilage rating information shown in this manual for the applicable deductible by the limit in thousands.

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**6.1.5 Valuable Papers and Records – Higher Limit**

Coverage for the cost of research necessary to reproduce, replace, or restore lost information from lost or damaged valuable papers or records is provided as an incidental property coverage for up to \$2,500 per occurrence, unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that a higher limit applies by showing the revised limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, multiply the valuable papers and records rating information shown in this manual by the limit, in excess of \$2,500 in thousands.

**6.1.6 Signs – Higher Limit**

Coverage for direct physical loss to signs used to identify the home-based business is provided as an incidental property coverage for up to \$500 per occurrence, unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that a higher limit applies by showing the revised limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, multiply the signs rating information shown in this manual by the limit, in excess of \$500, in hundreds.

**6.1.7 Business Property Away From Premises**

If no other special limit applies, coverage for the property of the home-based business is provided for up to \$5,000 while it is away from the insured premises, unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that a higher limit applies by showing the revised limit on the Home-Based Business Supplemental Declarations page.

To determine the additional premium, multiply the business property away from the premises rating information shown in this manual by the limit, in excess of \$5,000, in thousands.

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**6.2 Liability Coverage Options (See Rule 6.3 for Additional Bed and Breakfast Options)**

**6.2.1 Fire Legal Liability – Higher Limits**

The limit for Fire Legal Liability coverage is \$50,000 per occurrence, unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that a higher limit applies by showing the revised limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, apply the fire legal liability rating information shown in this manual to the portion of the limit that exceeds \$50,000.

**6.2.2 Damage to Property of Others – Higher Limits**

The limit for Damage to Property of Others coverage is \$2,500 per occurrence, unless otherwise shown on the Home-Based Business Supplemental Declarations Page.

Indicate that a higher limit applies by showing the revised limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, apply the damage to property of others rating information shown in this manual to the portion of the limit that exceeds \$2,500.

**6.2.3 Personal Injury and Advertising Injury Liability**

Coverage for personal injury and advertising injury that arises out of the home-based business can be added for an additional charge.

Personal injury pays for injury other than bodily injury and includes such offenses as slander, libel, invasion of privacy, false arrest, detention, imprisonment, malicious prosecution, wrongful entry, and eviction.

Advertising injury pays for injury other than bodily injury and includes such offenses as slander, libel, disparagement of a person's or organization's goods or services, invasion of privacy, misappropriation of advertising ideas or style of doing business, or infringement of copyright, title, slogan, trademark, or trade name.

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Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the personal injury and advertising injury liability rating information shown in this manual for the applicable Coverage L limit.

### **6.2.4 Expanded Contractual Liability**

The Incidental Contractual Liability Coverage can be expanded to include liability under other contracts or agreements that are related to the home-based business.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the expanded contractual liability rating information shown in this manual for the applicable Coverage L and M limits.

### **6.2.5 Non-owned Auto Liability and Hired Auto Liability**

Non-owned auto liability coverage and hired auto liability coverage can be provided as an extension of Coverage L.

Non-owned auto liability provides coverage for bodily injury or property damage caused by an auto the named insured does not own, lease, hire, or borrow, but is used in connection with the named insured's business. The non-owned auto must be used by a person other than the named insured.

Hired auto liability provides coverage for bodily injury or property damage caused by an auto the named insured leases, hires, or borrows on an occasional basis. It does not include autos that the named insured leases, hires, or borrows from its employees or its partners or executive officers.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the non-owned auto and hired auto liability rating information shown in this manual for the applicable Coverage L and M limits.

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**6.2.6 Cosmetologists' Liability**

Coverage for bodily injury or property damage arising from the professional services of a cosmetologist can be added for an additional charge.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the cosmetologists' liability rating information shown in this manual for the applicable Coverage L and M limits.

**6.2.7 Additional Insured – Newly Acquired Organizations**

The definition of insured can be amended to include any organization newly acquired or formed by the named insured. Coverage for a newly acquired organization ceases after 90 days or at the end of the policy period, whichever comes first.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

For each additional insured, use the rating information shown in this manual to determine the additional premium.

**6.2.8 Additional Insured – Landlords**

The definition of insured can be amended to include the interest of a landlord for liability arising out of the ownership, maintenance, or use of a premises.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page. The leased premises must be described and the landlord must be named on the Home-Based Business Supplemental Declarations Page. The description of the leased premises must indicate the part of the premises leased by the insured.

For each additional insured use the rating information shown in this manual to determine the additional premium.

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### **6.2.9 Additional Insured – Controlling Interests**

The definition of insured can be amended to include controlling interests. Controlling interests are insureds only for liability arising out of the described interest and the described premises and only while the named insured leases or occupies those premises.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page. The extent of financial control and the premises involved must be described on the Home-Based Business Supplemental Declarations Page.

For each additional insured, use the rating information shown in this manual to determine the additional premium.

### **6.2.10 Additional Insured – Lessor of Leased Equipment**

The definition of insured can be amended to include lessors of leased equipment for liability arising out of the maintenance, operation, or use of leased equipment by the named insured.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page. The lessor of the leased equipment must be described on the Home-Based Business Supplemental Declarations Page.

For each additional insured, use the rating information shown in this manual to determine the additional premium.

## **6.3 Bed and Breakfast Coverage Options**

In addition to the coverage options described in Rules 6.1 and 6.2, the following coverage options are also available when the business is a bed and breakfast operation.

### **6.3.1 Guests' Personal Property**

Coverage can be provided for the personal property of guests while the property is on the insured premises, whether or not the property is in the care of an insured. Loss must be caused by a peril insured against that applies to Coverage C.

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Subject to a special sub-limit for guests' money, the basic limit for guests' personal property is \$2,500 per occurrence. The basic limit can be increased in increments of \$1,000. The special sub-limit for guests' money is 10% of the limit for guests' personal property.

Indicate that this option applies by showing the guests' personal property limit on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the guests' personal property rating information for the applicable limit.

### **6.3.2 Watercraft**

Coverage for bodily injury and property damage arising out of watercraft on shore on premises owned by or rented to an insured is covered by the Home-Based Business Coverage Part under Incidental Watercraft and Vehicle Coverage.

Coverage can be extended to include liability arising out of the following types of watercraft:

- watercraft not designed to be powered by an engine or electric motor;
- watercraft powered by outboard engines or motors which total 25 horsepower or less; and
- sailing vessels, with or without auxiliary power, less than 26 feet in overall length.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the watercraft rating information shown in this manual for the applicable Coverage L and M limits. Make the additional premium charge for each watercraft that is available for the use of Bed and Breakfast guests.

To provide coverage for liability arising out of types of watercraft not described above, indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page and describe the covered watercraft on the Home-Based Business Supplemental Declarations Page. Refer to WRC for eligibility and rating information.



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**6.3.3 Deletion of Athletic Activities Exclusion**

Coverage for medical payments for bodily injury resulting from athletic activities is not included in the Home-Based Business Coverage Part. However, such coverage can be added for an additional charge.

Indicate that this option applies by showing it as included on the Home-Based Business Supplemental Declarations Page.

To determine the additional premium, use the athletic activities rating information shown in this manual for the applicable Coverage M limit.

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**CLASSIFICATIONS**

**----- OFFICE -----**

Use this Office classification if the home-based business operations involve professional or administrative services.

This classification includes, but is not limited to:

- Accounting
- Billing
- Bookkeeping
- Business Consulting
- Calligraphy
- Career Consulting
- Computer Consulting
- Counseling
- Desktop Publishing
- Financial Planning
- Freelance Writing
- Graphic Art
- Insurance Agent
- Mailing and Addressing
- Public Relations
- Real Estate Agent
- Resume Writing
- Telephone Answering
- Tutoring
- Word Processing

**NOTES:**

- No coverage is provided for professional liability exposures.
- No products liability or completed work liability exposures are reflected in the Office rating information.

WISCONSIN REINSURANCE CORPORATION  
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## **CLASSIFICATIONS**

### **----- SERVICE -----**

Use the Service classification if the home-based business operations involve providing repair or other services for its customers.

This classification includes, but is not limited to:

- Aesthetician
- Barber
- Beautician
- Bicycle Repair
- Camera Repair
- Clock, Jewelry, or Watch Repair
- Computer Repair
- Dressmaker, Seamstress, or Tailor
- Flower Arranging
- Furniture Upholstering
- Hair Stylist
- House Sitting
- Instruction (Music, etiquette, etc.)
- Interior Decorating
- Manicurist
- Musical Instrument Repair
- Personal Shopper
- Photography
- Picture Framing
- Printer
- Shoe Repair
- Videotaping
- Wedding or Party Planning

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## CLASSIFICATIONS

### ----- SERVICE (Cont.) -----

**NOTES:**

- No coverage is provided for professional liability exposures, except for **Aestheticians, Barbers, Beauticians, Hair Stylists, and Manicurists**. For these classifications, select Cosmetologists' Liability as an optional coverage and make the appropriate charge.
- **Carpet and Upholstery Cleaning** – Coverage for the operation of pumps or other equipment on trucks is not included.
- No property coverage is provided for animals, birds, fish, or insects under Coverage C, whether owned by the insured or others.
- Coverage for certain types of property such as money, jewelry, watches, precious and semiprecious stones, gems, furs, silverware, goldware, pewterware, and guns is subject to the applicable limit under Coverage C, Limitations on Certain Property, in the underlying policy, whether owned by the insured or others.
- Coverage for trees, plants, shrubs, and lawns is subject to the applicable limit under the Incidental Property Coverages in the underlying policy, whether owned by the insured or others.
- Completed work liability exposures are reflected in the Service rating information.

WISCONSIN REINSURANCE CORPORATION  
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**CLASSIFICATIONS**

**----- RETAIL -----**

Use the Retail classification if the home-based business operations involve sales or rental of products. Use the Crafts classification if the home-based business operations involve making and selling craft items. Use the Food classification if the home-based business operations primarily involve making and selling food items. Other Retail businesses that manufacture a product or sell a product under their own label are not eligible for the program.

This classification includes, but is not limited to, the sale of:

- Antiques
- Art Supplies
- Art Work
- Books, Magazines, and Videos, including rental
- Candles
- Clothing
- Coins and Stamps
- Collectibles
- Cosmetics
- Costume Jewelry
- Decorative Housewares
- Gifts
- Household and Kitchen Products
- Personal Care Products
- Plants and Flowers
- Stationery and Paper Products
- Tackle and Bait
- Toys
- Vitamins and Health Care Products

**NOTES:**

- Products liability exposures are reflected in the Retail rating information.
- No property coverage is provided for animals, birds, fish, or insects under Coverage C, whether owned by the insured or others.

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- Coverage for certain types of property such as money, jewelry, watches, precious and semiprecious stones, gems, furs, silverware, goldware, pewterware, and guns is subject to the applicable limit under Coverage C, Limitations on Certain Property, in the underlying policy, whether owned by the insured or others.
- Coverage for trees, plants, shrubs, and lawns is subject to the applicable limit under the Incidental Property Coverages in the underlying policy, whether owned by the insured or others.

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## **CLASSIFICATIONS**

### **----- CRAFTS -----**

Use the Crafts classification if the home-based business operations involve making and selling crafts. The Crafts classification includes selling crafts on consignment.

This classification includes, but is not limited to:

- Baskets
- Candles
- Ceramics
- Decorative Clothing
- Dolls
- Fabrics
- Flower Arrangements
- Glass
- Jewelry
- Metal Work
- Needlework
- Quilts
- Sculptures
- Wall Hangings
- Wind Chimes
- Wood Products
- Wreaths

#### **NOTES:**

- Products liability exposures are reflected in the Crafts rating information.
- Coverage for certain types of property such as money, jewelry, watches, precious and semiprecious stones, gems, furs, silverware, goldware, pewterware, and guns is subject to the applicable limit under Coverage C, Limitations on Certain Property, in the underlying policy, whether owned by the insured or others.
- Coverage for trees, plants, shrubs, and lawns is subject to the applicable limit under the Incidental Property Coverages in the underlying policy, whether owned by the insured or others.

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## CLASSIFICATIONS

### ----- FOOD -----

Use the Food classification if the home-based business operations involve making, handling, distributing, or selling food products for consumption on or away from the premises. Use the Bed and Breakfast classification if the home-based business operation is a Bed and Breakfast which makes and sells food items.

This classification includes, but is not limited to:

- Baked Goods
- Beverages (i.e. coffee and tea)
- Candy, Nuts, or Confections
- Canning (i.e. jellies and jams)
- Deli Foods
- Fruit and Vegetable Stand (no “pick your own” operations)
- Gourmet Foods
- Picnic Baskets

#### NOTES:

- No coverage is provided for liquor liability exposures if the insured is in the business of selling, serving, distributing, or manufacturing liquor.
- Products liability exposures are reflected in the Food rating information.



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**CLASSIFICATIONS**

**----- BED AND BREAKFAST -----**

Use the Bed and Breakfast classification if the home-based business operations consist of renting out rooms and providing breakfast service for overnight guests in the insured's home.

**NOTES:**

The rating information does not contemplate the following exposures:

- serving meals for a charge, other than breakfast provided for overnight guests;
- boarding house operations;
- renting of the insured's facilities for other functions; or
- guests' participation in farming activities or guests' access to saddle animals owned or boarded by an insured.

Additional rating procedures are required if any of the following exposures exist:

- hot tubs or swimming pools available for guests' use;
- fireplaces in guest rooms; or
- retail sales which are expected to exceed 25% of the total receipts of the bed and breakfast operation.

The liquor liability exclusion is revised when the home-based business is a Bed and Breakfast. Coverage for liquor liability is excluded if the Bed and Breakfast:

- manufactures, sells, or distributes alcoholic beverages;
- serves or furnishes alcoholic beverages for a charge whether or not the activity requires a license or is for the purpose of financial gain or livelihood; or
- serves or furnishes alcoholic beverages without a charge if a license is required for the activity.

Refer to the company for information concerning the liquor liability laws in this state.