

CANCELLATION OF BOOKINGS INSURANCE (COBI)

Cancellation of Bookings Insurance (COBI) has arrived on a monoline basis for the Hospitality Industry through Burns & Wilcox Brokerage.

COBI covers business interruption and business income losses that can result from the cancellation of, or inability to accept bookings for accommodation and/or reservations at any hotel and ancillary activities or other facility of the Insured.

This is a property solution that pays for your financial loss; it does not require direct physical loss or damage to be triggered.

COVERAGE AS A DIRECT RESULT OF...

 The occurrence of murder, suicide, rape, attempted rape, armed robbery, and malicious activities; the outbreak of contagious or infectious disease; food or drink poisoning, vermin, pests, defective sanitation, and loss of satellite signals, the discovery of which causes restrictions on the use of the insured location;

 Closing of the whole or part of the premises by order of Public Authority; the closing of any beach, waterway or river within a radius of 5 miles of the insured location resulting from pollutants and contaminants.

 The closing of the whole or part of the premises of the insured location by the order of a competent public authority consequent upon the existence or threat of hazardous conditions either actual or suspected at the premises of the insured location;

 The occurrence of riot or civil commotion, fire, or explosion within a radius of 5 miles of an insured location.

 Reasonable and necessary expenses by the Insured to restore the insured location to the condition that would have existed had no covered causes of loss occurred.



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Underwriting Guidelines:

Specific Exclusion:

Any loss directly or indirectly arising out of, contributed to, or by resulting from Severe Acute Respiratory Syndrome (SARS), Avian Flu, and/or atypical pneumonia, or the fear of threat thereof;

Eligible Classes of Business:

Hotels, Motels, Lodgings, and Resorts in the United States

Target Risks:

Total Insurable Values in the United States of any size

Limit Options:

Option 1:

\$1,000,000 per occurrence/\$2,500,000 in the aggregate annually, per policy to be utilized in a 100% primary only

Option 2:

\$2,500,000 per occurrence/\$5,000,000 in the aggregate annually, per policy to be utilized in a 100% primary only

Form:

Manuscript policy subject to specific COBI covered cause of loss

Deductible:

Minimum deductible of \$25,000 per occurrence. However, the insurer shall not be liable for any loss unless the Insured occurrence exceeds 24 hours.

Insurer(s):

Non-admitted, A.M Best "A" rated carrier

Submission Requirements:

Statement of values including PD/BI values broken out

Number of rooms per location and any owned golf course, health club, restaurant, or spa

Property claims loss runs (5 years minimum), including details of any COBI loss

Copy of the insureds current master property policy



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