

MiniCo Coverages In Action

COVERAGE

ACTION EXAMPLE

- ▶ **Customers Goods Legal Liability** — *Coverage against loss or damage to customers' personal property for which the insured may become legally liable, including property stored in the open. Also includes defense against allegations.*
 - A tenant informed the facility manager that he could see sunlight coming in through the corner of his unit's roof. The manager told the tenant that he would get it repaired. Six months later, a large rain storm soaked through the roof and ruined the tenant's valuable antique furniture. The owner was contacted by an attorney stating that the damaged furniture resulted in the loss of \$4,500 to his client. The owner was found to be negligent by failing to repair the known issue with the roof, and the tenant was paid \$4,500 for his claim.
- ▶ **Sale and Disposal Liability** — *Coverage for claims against the insured for negligent acts arising from the lockout, sale, removal or disposal of customers' property when reclaiming rented space for which rental or other charges are delinquent or unpaid. Also includes defense against allegations.*
 - A tenant fell delinquent, and, after four months of failing to make rent payments, her items were sold at auction. The self-storage owner felt that he followed all applicable laws and rules in notifying the tenant prior to the auction. One month later, the owner was contacted by the tenant's attorney stating that the owner was negligent for failing to adhere to a specific statute requiring the owner to send notice to tenants by certified mail. The attorney notified the owner that his client was claiming a \$5,000 loss. The owner was found to be negligent by not notifying the tenant by certified mail of the status of her delinquency. The MiniCo Claims Department contacted the tenant's attorney and settled the claim.
- ▶ **Business Property** — *Replacement cost coverage on buildings and business personal property. Covers direct risk of physical loss. No co-insurance. Multi-location discount available.*
 - A tenant left a candle burning in her unit, resulting in a fire that destroyed five units and caused smoke and water damage to 10 additional units. The owner's property was covered for this type of accident, and the damaged units were rebuilt. However, the tenant's property inside the damaged units was not covered.
- ▶ **Limited Pollutant Removal** — *Pays for costs to remove pollutants from or detoxify a storage unit when required by statutory authority. Coverage is afforded to all the spaces at the covered facility, not just to units that are rented after the date of coverage.*
 - Though the facility's lease agreement specifically prohibits the storage of toxic materials, a tenant stored several 55-gallon drums of pollutants in his unit for two years. Upon move out, the owner discovered the drums and contacted the appropriate authorities who advised him that the cost of removing the pollutants and detoxifying the unit would be \$24,000. The cost of removal and detoxification was covered.
- ▶ **Employee Resident Manager's Personal Liability** — *Personal liability coverage for resident managers.*
 - While performing a routine lot check on the company golf cart, the facility manager hit a tenant who was moving into his unit. The manager was later named in a lawsuit individually. The MiniCo Claims Department responded by retaining an attorney to represent the manager.

* Coverage applicability is based on policy wording and the specifics of each claim.



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