

## **BONDED**

Many people are familiar with the term "bonded," but few understand what it really means. Simply defined, a bond is a form of insurance that protects the business owner (and in the pet-sitting industry, the customer) in the event of theft. However, unlike insurance, if a bond company makes payment, it usually expects restitution of the amount paid either from the business owner or the convicted party. From whom the restitution is expected is very important to you, as a business owner, in purchasing a bond. If you plan to hire staff pet sitters in your business, you'll sleep much better knowing that if one of your pet sitters is convicted of theft, your bond will reimburse your client (up to the amount payable by your bond). Your bonding company will then go after the convicted pet sitter to recoup the money it paid for the theft. Make sure this is the type of bond you purchase – you don't want the company to expect *YOU* to reimburse it for a loss due to someone else's actions

## **INSURANCE**

### **Be aware of insurance policy differences**

PSI has offered its members a complete insurance and bonding protection program since 1995. All active PSI members are able to purchase comprehensive coverage designed specifically for pet sitters. It is extremely important for the pet-sitting client to be aware of the primary differences in insurance policies when it comes to protecting their pets and property.

### **Make sure coverage includes: care, custody and control**

Most insurance policies today exclude coverage to property in the care, custody and control of the sitter or contractor that comes onto/into your premises/home. What this means is that your pet(s) and all of the contents of your home are typically not covered in the event of a claim, even if the sitter/contractor provides you with a certificate showing a \$1,000,000 liability limit. Take for example the following claim: Terry Pet Sitter fails to put the client's puppy securely back in its crate after a visit. Subsequently, the wandering puppy chews on the furniture and as a result gets sick and needs veterinary attention. Without care, custody, and control coverage, there would be no coverage for the furniture or the puppy's veterinary bill, even though the sitter was negligent in his/her duties to take care of the puppy/home's

contents. That \$1,000,000 policy that the sitter presented you with will pay absolutely nothing.

PSI has resolved this issue for its members by offering an insurance policy that, in addition to the \$1,000,000 limit, provides care, custody and control coverage with sub-limits ranging from \$10,000 up to \$200,000. Every PSI member who presents you with proof of coverage via a valid Business Insurance/ PSI Insurance Card or Certificate of Insurance guarantees that they will have a minimum of \$10,000 coverage for your pet(s) and contents in your home. (Note: PSI recommends that all members take out higher limits to adequately cover their client's exposures.)