

# CDQ Insurance Program

*Loss Prevention*



**LloydSadd**  
INSURANCE BROKERS

## **Loss Prevention**

As a value added service to you and in an effort to minimise the potential of a loss, Lloyd Sadd Insurance Brokers and Intact Insurance are providing loss prevention tips for your business. There are a number of potential hazards that could affect your franchise operation, and as a business owner, implementing these changes may help to prevent losses. Additionally, taking proactive steps to prevent losses, big or small, will assist in reducing costs to claims and may reduce business interruption when a loss has occurred.

---

## **Kitchen Fires**

Maintaining a regular service schedule of the kitchen exhaust systems will help to reduce the amount of grease accumulating inside the ducts. At a minimum, servicing for duct cleaning should be done semi-annually. For high-volume cooking, ducts should be cleaned quarterly. All kitchen exhaust duct cleaning should be done by a qualified contractor.

To ensure that the fixed fire suppression system will work in the event of a grease fire, make sure that the system is serviced semi-annually.

---

## **Theft & Crime**

A fully-functional intrusion alarm system with features such as door contacts, motion sensors and glass break sensors will help deter thieves from breaking in. The alarm system should be monitored by a ULC-listed monitoring station who will alert the authorities in the event of a break-in.

Break-ins may target cash registers and property damage is likely to occur during that process. To reduce the amount of damage or deter a break-in, daily procedures should be in place to remove all cash from drawers after operating hours and leave the drawers open to show they are empty.

Reduce the amount of cash kept on premises at any given time. Bank deposits should be made daily and at varying times to prevent individuals from learning your routine for making cash deposits.

To help deter thieves from breaking in after-hours, a sign should be posted stating there is no cash on premises after hours.

---

## Safes

To prevent unauthorized individuals from accessing the safe, combinations should not be widely shared or written down in visible and accessible places.

The safe combination should be changed regularly and anytime an individual with access to the combination is no longer employed with your business.

Safes that are not bolted to the floor and accessible via a door may be at risk of being removed with the help of a vehicle. To reduce the chance of a safe being removed, consideration should be to have an in-floor safe with a ULC listing that is burglar resistant to prevent tampering and removal of the safe.

---

## Slip & Fall

Snow and ice create a slip and fall hazard for property owners and/or tenants. By not clearing snow and performing ice control the property owners and/or tenants may be deemed negligent in the event of a slip and fall claim.

Property owners and tenants should confirm who is responsible for snow removal/ice control in their lease agreement and have it in writing.

Consideration should be made to use a snow removal contractor. A written contract should be in place with terms on when snow will be removed from walkways and parking lots. Always confirm that the contractor has valid insurance in place.

If a contractor is not used for snow removal, then a detailed record of snow and ice control activities should be maintained and kept for two years. This log book may be used as evidence to defend property owners and tenants in the event of a slip and fall claim.

Roof drainage pipes should direct water run off away from walking surfaces. They could cause a trip and fall hazard, and in colder weather, ice can form and create a slippery surface.

---

## Trip & Fall

Property owners and/or tenants may be responsible for maintaining the condition of their sidewalks and parking lot. In the event of a trip and fall claim, properties that are poorly maintained may deem the property owner and/or tenant negligent.

Examples of trip and fall hazards include cracks, uneven surfaces, pot holes and dips.

Property owners and tenants should confirm who is responsible for maintaining the condition of the parking lot and walkway in their lease agreement and have it in writing.

To prevent trip and fall injuries, care is needed to maintain a smooth and level surface. Ongoing repair or resurfacing of sidewalks and parking lots in poor condition will assist in preventing bodily injury claims.

---

## Coolers

Compressors should be checked 3-4 times a year by a qualified contractor to ensure the equipment is in good working condition. This helps to prevent the compressors in the coolers from failing which can result in a loss of perishable food stock such, as ice cream cakes.

In the event of a power outage or equipment failure, timely notification may help to reduce the amount of perishable food that needs to be thrown out. Temperature alarms should be installed in the coolers and alarms should be monitored by a ULC listed monitoring station.

Improperly stored meat will allow bacteria to set in. This will lead to a significant and costly loss of goods and potentially cause illness if consumed. Having alarms installed on coolers and freezers will help ensure that meat is stored at the proper temperature and it is safe for consumption.

Contingency plans should be in place for emergencies that may affect the location of your franchise. Examples of these include floods and power outages. Can perishable food be moved to another location? Is there access to a generator or a refrigerator truck? What back-up plans can you put in place to minimize loss?

---

## Electrical

All electrical work should be completed by a qualified contractor that has valid insurance in place. This prevents unqualified individuals from making unsafe changes that may result in fire or electrocutions.

To reduce the chance of fire and to ensure electrical installations are safe, buildings with electrical systems aged 25 years or older should be inspected by a qualified master electrician. Any necessary repairs should be completed to prevent fires and electrocutions.

---

## Water Damages

Hot water tanks have an average life expectancy of 12 years. Using a hot water tank past its life expectancy may result in water damage. Additionally, the breakdown of a hot water tank may result in property damage and business interruption until a new one can be ordered and installed. Hot water tanks should be maintained and checked by a qualified contractor and replaced around or before its life expectancy.

To maintain the integrity of the building and to prevent interior property damage, any signs of water infiltration should be inspected with necessary repairs or replacement by a qualified contractor.

Roof drainpipes should be extended 4-6 feet away from the building. This helps to prevent water accumulation around the foundation which may result in water damages to the building.

---

## **Mechanical Impact**

Unprotected natural gas entries outside the building are subject to mechanical impact and could result in a leak, fire or explosion. Any of these scenarios would force an evacuation and interruption to your business. All natural gas lines and reservoirs should be protected with metal or concrete posts that are sunk into the ground.

Drive-thru operations with no impact protection for the building are at risk of mechanical impact due to driver distraction and mistakes. To prevent mechanical impact, there should be a clear direction of the drive thru entrance, good lighting, barriers and corner protection such as bollards and guard rails made of concrete or steel.



---

**LloydSadd**  
INSURANCE BROKERS



*Certain conditions, limitations and exclusions may apply. This document is provided to you for information purposes only. Your insurance contract prevails at all times, please consult it for a complete description of coverage and exclusions.*