



Business to Business

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David G. Sayles Insurance Services

899 LINCOLN AVE.
GLEN ROCK, NJ 07452

PHONE:
(201) 652-0407
(800) 439-0292

FAX:
(201) 652-0721

Items Damaged in Loading

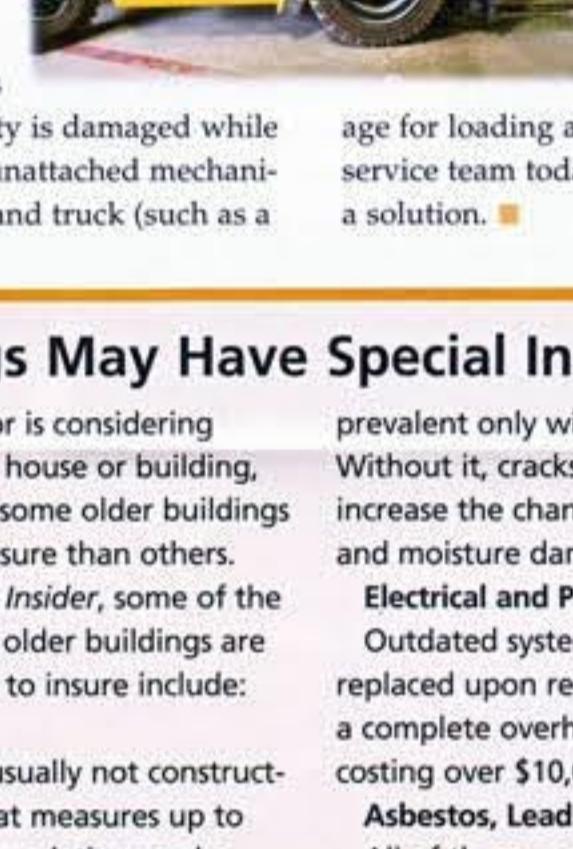
If employees are loading or unloading goods at the workplace and property is damaged during the process, will business insurance pay for the damage?

This issue can be tricky because there are two different types of policies that address this situation. For example, damage to property while being loaded in or unloaded from a vehicle by hand, hand truck or mechanical device attached to the auto is covered under a business auto policy. If the property is damaged while it is being moved by an unattached mechanical device other than a hand truck (such as a

forklift), the damage would be paid for by a commercial general liability policy.

One reason this distinction is important is that many businesses load and unload property all the time at their workplace but do not have business vehicles; thus, there is no business auto policy to cover items damaged while being loaded or unloaded using any of the methods mentioned above.

If you think you might have gaps in coverage for loading and unloading, call our service team today. We can help you find a solution. ■



Old Buildings May Have Special Insurance Needs

If your firm occupies or is considering moving into an older house or building, you should know why some older buildings are more difficult to insure than others.

According to *Insweb Insider*, some of the most common reasons older buildings are more costly or difficult to insure include:

Foundation

Older buildings are usually not constructed on a foundation that measures up to today's codes. Shaky foundations make buildings more susceptible to damage caused by natural disasters such as windstorms, floods and earthquakes.

Foundation Sealant

The use of foundation sealant became

prevalent only within the last 50 years. Without it, cracks in the foundation increase the chance of water penetration and moisture damage.

Electrical and Plumbing

Outdated systems would have to be replaced upon reconstruction or repair, and a complete overhaul is expensive, often costing over \$10,000.

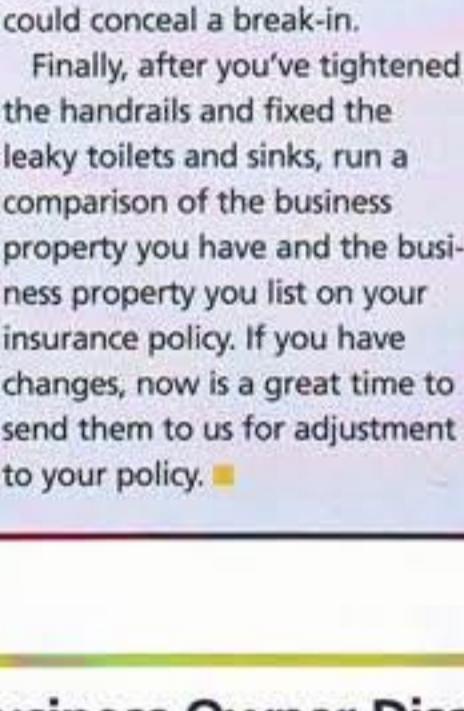
Asbestos, Lead Paint and Mold

All of these can lead to expenses in rebuilding.

Special Features

Older buildings frequently feature hard-to-replace components, such as custom wood floors and plaster walls. ■

Spring Cleaning Is For Business, Too!



April is a superb month to give your business a comprehensive cleaning. You can reduce many business risks just by disposing of extraneous articles, cleaning machines and components, tightening loose bolts, and clearing landscape hazards.

Fire risk rises with the accumulation of junk, especially poorly stored papers, rags and flammables. Go through work stations as well as storage areas and throw out or properly contain articles that can cause or accelerate fires. Make sure unused bulbs or other incendiaries are safe and secure to prevent accidental flashes near flammables.

Outdoors, consider hiring a crew to cut back bushes and trim branches. Eliminate hazards to the building and brush that could conceal a break-in.

Finally, after you've tightened the handrails and fixed the leaky toilets and sinks, run a comparison of the business property you have and the business property you list on your insurance policy. If you have changes, now is a great time to send them to us for adjustment to your policy. ■

Plan for Disaster Recovery Now

More than half the businesses in the U.S. admit to having no contingency plan in place following a natural disaster.

Luckily for these businesses, there are firms that have a recovery plan ready to go when the worst happens. These firms, often called disaster recovery firms, have business models that can get your company back up and running typically within one to two days after the disaster. These firms are scattered throughout the U.S. and, for a fee, provide services to businesses of all kinds. Such services often include:

- Off-site backup of data and

access to computers and servers

- Alternative office location or mobile office capability
- Internet, phone and fax service
- Power generation through the supply of a gasoline generator.

Finding the right provider is important. Ask others in fields similar to yours for recommendations. If possible, obtain quotes from multiple providers in your area. Research them online and look for consumer critiques.

Millions of business owners say, "I'll worry about it later" one too many times. Take a look at disaster recovery before it's too late. ■

Some Parts of Buildings May Be Excluded

Building owners are often surprised to discover that certain parts of the building, when damaged, are not covered by a standard commercial property policy. For example, many don't realize that the building's foundation, machinery and equipment below the lowest basement floor, underground pipes, flues and drains are not considered covered property by the policy and are not paid for if damaged.

Additionally, many buildings are surrounded by patios, walkways, parking lots and other paved surfaces that can be easily damaged by vandals, fire, earthquake and other loss-causing elements. Like those mentioned above, these items are not considered covered property by the policy and are likewise not paid for if damaged.

Claims denials on items such as



these can be frustrating for building owners. Too many do not discover the exclusions until after a claim.

The good news is that building owners who wish to include these and other items normally not covered may be able to amend the policy to close the gap. For more information on amending your policy to avoid a post-claim surprise, call our service team today. ■

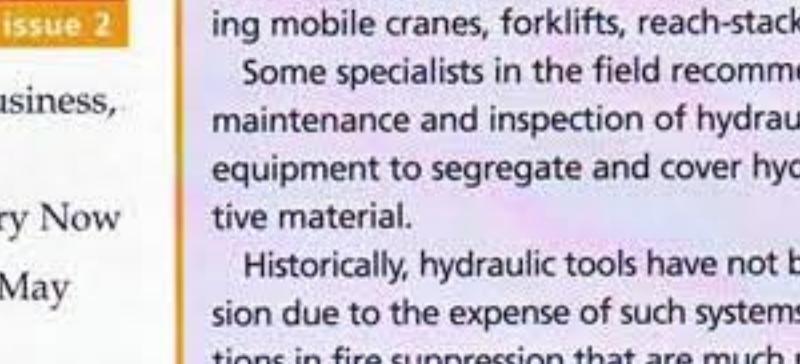
Paying Up Front for Excess Liability Claims?

Does your excess liability insurance policy say it will "indemnify" you, or does it say "pay on your behalf"?

There is an important distinction between the two that could result in thousands of dollars paid out of pocket. The terms of the former state that the insurance company will reimburse you for costs you have paid for a covered claim, while the terms of the latter

say that the insurance company will make payment directly to the claimant on your behalf.

Which is better? Can your business shoulder the significant cost—including defense expens-



es—of an excess liability claim out of pocket? Can it then wait for reimbursement from your insur-

ance carrier at a later date—possibly a much later date, as it may be necessary for the claim process to be fully resolved prior to filing for your reimbursement? If your answer to either or both of these questions is no, then a policy that states it will "indemnify" probably isn't for you.

Beware, though, a policy that will "pay on your behalf" may cost more. ■

We can help you compare your options. Call our service team for assistance. ■

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Hydraulic Fire Suppression Recommended

Hydraulic fires, often caused when hydraulic oil seeps through leaky hoses or fittings and comes into contact with hot machine components, are reported widely across industries that employ mobile equipment using hydraulics—including mobile cranes, forklifts, reach-stackers and tractor units.

Some specialists in the field recommend prevention that includes rigorous maintenance and inspection of hydraulic systems and possible modifications of equipment to segregate and cover hydraulic hoses and components with protective material.

Historically, hydraulic tools have not been equipped with adequate fire suppression due to the expense of such systems. There have, however, been recent innovations in fire suppression that are much more affordable than traditional systems.

With more economically sensible alternatives available, it is strongly recommended that owners of mobile equipment install an accredited fire suppressant system. ■