



## Debris Removal

Close your eyes and picture the aftermath of catastrophic damage caused by a natural disaster. Whether the cause is a tornado, windstorm, explosion, fire or other cause, chances are the image that has popped into your head includes huge piles of debris.

Pictures taken in the wake of such events are a reminder that they leave behind tons of debris that must be disposed of before the rebuilding process can begin. Owners of buildings that consist of masonry, steel, glass and other heavy materials are the most susceptible to incurring large expenses to have debris removed.



A standard property insurance policy limits the amount available to pay for debris removal, which can sometimes be extremely expensive.

Keep in mind that the cost to remove debris resulting from losses, such as flood and earthquake, that are not covered by standard property insurance is only addressed by a separate insurance policy designed to cover those specific incidents.

If you're not sure about adequate debris removal limits, call our service team. We can help you with cost comparisons in your industry and region and show you options for amending your policy. ■

## Branding Business Vehicles

**D**o you add a personal touch to your firm's vehicles?

Advertising "wraps," custom paint and decorated windows are just a few examples of investments that make a company's vehicles easily identifiable to consumers.

There is nothing more valuable to a business than its brand. But what if a branded vehicle is damaged in a covered accident? What will your business auto insurance policy pay?

In most cases, standard business auto policies will cover only the cost to

repair or replace the damaged vehicle to its actual cash value. The insurance company is not required to cover the cost of betterments, customization and other expenses that you have incurred to brand it unless the policy has been specifically amended to do so before the accident.

Before you spend hundreds or thousands of dollars outfitting your fleet, give our service team a call. We can show you options on amending your policy to cover vehicle customization. ■

## Snowmelt Causes Water Damage



**B**usinesses located a “safe” distance from bodies of water are often not prepared for snow-related flooding. They are usually not insured for flood, either.

In many areas of the country, one of the most frequent causes of a flood is spring snowmelt. This flood is not related to the overflow of a nearby body of water, nor does it have anything to do with torrential rain. “Snow floods” occur when snow and ice piled on roofs and on the ground begin to melt while the ground is still frozen and unable to absorb the water.

Damage to property from a snow flood caused by snowmelt is not covered by standard property insurance. Only a flood insurance policy will cover this damage.

For more information on snow floods, including videos of likely flood scenarios, visit [www.floodsmart.gov](http://www.floodsmart.gov). If you would like to look into the availability of flood insurance for your business, give us a call. ■

## Employee Theft Coverage

The National Retail Federation is reminding employers of the pervasive threat of employee theft. According to the organization, thefts by employees accounted for \$15.9 billion in retail merchandise losses. This adds up to 44% of theft losses at stores, more than shoplifting and vendor fraud combined.

In service industries, the news isn’t much better. For example, according to AllBusiness.com, expert reports indicate that anywhere from 30% to 85% of construction site theft results from someone authorized to be on the site. And a recent report

from Jack L. Hayes International showed that as many as one out of every 28 employees was apprehended for theft in 2007.

Employee theft is difficult to control and harder to identify. Most standard property insurance policies will not cover theft losses caused by employees, but there are several options to insure against employee theft. Methods include amending the current property policy or obtaining separate insurance designed to cover this exposure. For more information on this kind of coverage, call our service team today. ■

## Property in Storage

Every retailer knows the feeling. Inventory hasn’t moved as quickly as planned, and new shipments of goods are already coming in. Room must be made for the new items, and no credit has been obtained for the return of unsold goods. For the time being, the only thing to do is to move boxes of unsold items into storage.

Units at self-storage facilities are often packed to capacity with unsold inventory. While the items haven’t sold, they still have value, and if lost or stolen, they could cost the retailer thousands of dollars or more in future sales.

If your business property is moved to off-site storage and is lost or stolen, will your business property insurance pay for the loss?

The good news is that commercial property insurance will extend coverage for business property while it



is stored away from the premises in a self-storage facility leased by your firm. The bad news is that most standard property insurance policies limit payment for property stored off premises to \$10,000.

Is \$10,000 enough to cover the cost to repair or replace your property if it’s lost or stolen while in storage? If not, call our service team today. We can help you discover your options. ■

## Up and Running After a Business Shutdown

Imagine that your business had to close because of a covered loss, such as fire or wind damage. After several months of reordering and restocking inventory and repairing the building, your business is finally ready to reopen. So far, your business income insurance policy has proven to be your business's key to survival—helping to cover the cost of lost income, of bills and of other expenses to keep you going during the downtime.

Now you're ready to open the doors. Here's the problem: Regaining customers is a slow process, and you could experience sub-normal revenue

until sales get back on track.

Unfortunately, there is no way to predict how long it will take for a business that has suffered a big loss to

**You could experience sub-normal revenue until sales get back on track.**

recoup lost customers. The problem can get worse if the business income from the insurance company stops coming once the business reopens.

Many standard business income policies will continue to pay for a specified period of time after you're back up and running—for example, 30 days. This limitation, however, could be insufficient to cover the lingering effects of a lengthy shutdown.

Fortunately, many business income policies can be amended to extend the number of days for a longer period. This extension may provide the cushion your business needs to survive those first crucial months after reopening. For more information, give our service team a call. ■

## Tenant Damages to Commercial Buildings

Many building owners require "Additional Insured" status on the commercial policy of a tenant. This step offers the landlord additional protection from claims filed by a third party, such as someone who trips and falls on the sidewalk in front of the building. But what happens in a case where the tenant's negligence causes damage to the landlord's building?

Here's an example. A landlord rents a building to a manufacturer. While installing a large piece of equipment, the manufacturer damages a wall, resulting in the need to replace it. Since the manufacturer's negligence caused the loss, the landlord

presumes the cost to replace the wall will be covered by the manufacturer's liability insurance policy.

Unfortunately, the tenant's



commercial policy will not pay for property damage to property rented by or in the care of the "insured." In this case, the

"insured" is the tenant. Even if the landlord has been added to the tenant's policy as an additional insured, the policy will not pay for a loss that is not

covered by the terms of the policy. (Many policies, however, make an exception for properties rented for fewer than seven days or in the case of fire.)

Concerned landlords should discuss a separate liability policy designed for tenant damage to rented buildings. Often called a legal liability coverage form, this

insurance policy offers tenants and landlords valuable insurance to cover potentially devastating property damage. ■

**Thank you for  
your referrals.**

If you're pleased with us, spread the word! We'll be happy to give the same great service to all of your friends and business associates.

## Commercial Property Not Covered

**W**hat type of property does your commercial property policy cover? The answer can be found in the policy under sections titled "Covered Property" and "Property Not Covered." Seems simple enough, right? The problem is that some parts of the building are not in the sections you might think.

For example, foundations, underground pipes, flues and drains, fencing and paved surfaces are all examples of property not covered in the commercial property policy. This means that, if they are damaged in a fire, explosion, windstorm or other cause of loss, insurance payment will not be made for their repair or replacement.

Business owners should begin with a thorough review of their policy to determine what type of property is covered. The good news is that the policy can often be amended by your request to cover many types of property, including all of those listed above, that are not covered by standard commercial property insurance. Call us for more information. ■

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