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Now Is the Time to Plan for Flooding

This is the time of year when the threat of flooding grows in many parts of the country. Whether the threat arises from melting snow, spring rains or heavy storms, the Federal Emergency Management Agency (FEMA) has information that can help your business.

FEMA's website www.floodsmart.gov offers many suggestions on preparing for and recovering after a flood. It also provides information that can help you understand flood insurance offered through the National Flood Insurance Program, popularly known as NFIP.

It's important that businesses discuss flood insurance protection with their insurance

agent annually since regulations change and flood maps are updated periodically. Your community's risk status might have changed based on new information FEMA has

received. In some cases, new levies are being built, and some businesses find that both the federal government and their local government have instituted new policies or guidelines.

Increasingly, there are insurers interested in providing flood coverage beyond what's available through NFIP, so your

individual needs might be insurable in ways that previously weren't possible. That includes coastal property coverage and higher limits in many cases.



Keep Employees Safe During Spring Cleaning

Spring cleaning your office can be a refreshing way to get staff together for the benefit of all. If your staffers plan to participate in a workplace cleanup, make sure they do it safely.

To help avoid injury and workers compensation claims, here are a few tips to remind employees of prior to the undertaking:

1. Stay cool. Stand in front of a fan if necessary. Drink lots of water. Don't overheat.
2. If moving furniture, remember the basics: Lift with the legs or don't lift at all.
3. Have a spotter in place before

ascending ladders and stepstools.

4. Clearly mark wet floors and surfaces.
5. Warn people if clutter is present.

Clutter can be a dangerous hazard if it accumulates in spaces that are normally clear.

6. Make multiple trips and don't lift too much at a time.
7. If dusting or using cleaners that require a mask, wear a mask.
8. Don't leave buckets of liquid in places where they could spill and create a slip-and-fall exposure.
9. Properly store all cleaning supplies.

Beautiful Landscaping Deserves Protection



If this is the year you have decided to add a new look to your office grounds, beautifying the property with new beds, trees and structures or developing an environmentally friendly solution that uses landscaping to reduce building energy use or drainage issues, it would be wise to review your insurance coverage for outdoor investments.

Making a substantial investment in landscaping can create a financial burden for your business if the landscaping is damaged. Further, most commercial property insurance policies offer very little if any coverage for damage to trees, shrubs, plants and other landscaping-related items. This leaves your business to shoulder any repair/replacement costs incurred because of vandalism, storms or other causes of loss.

No need to worry, though. Many commercial insurance products are designed to insure items that standard policies don't adequately cover. If you are considering making a serious investment in custom landscaping, give our commercial insurance service team a call. We can match you to an insurance company that offers coverage for your expensive landscaping.

Protection Against Benefits Errors Claims

Companies that offer a solid suite of employee benefits are more attractive to top-quality workers, but offering employee benefits can open a company up to liability claims.

Such claims can include allegations that you failed to enroll an employee, your representative gave incorrect advice on benefits, or your benefits staff made errors on forms that affect coverage or beneficiaries. Benefits plans covered include a wide array of offerings, including health insurance, retirement plans and voluntary benefits, so companies providing any of these should look into employee benefits liability insurance.

It isn't only your benefits staff that needs to be protected against such

claims. Directors, officers, the business itself, your partners, and employees who administer the plan, keep records, or advise on benefits also should be included on your insurance policy. Such a policy can often be added to your standing commercial general liability policy, though some insurers offer it as a stand-alone product. Typically it includes coverage for attorneys fees to defend against claims. It usually also covers settlements with claimants or moneys awarded by a court, depending on the policy's language.

When crafting your employee benefits program, be sure to include protection for your company and employee benefits staff. Talk to us about integrating coverage into your suite of business insurance.

Prevent Human Error Data Breaches

Though many businesses focus cyber security efforts on the latest bells and whistles, most weaknesses are fairly low-tech.

This is confirmed by the 2013 Data Breach Investigations Report from Verizon Enterprise. Here are just a few of the findings:

- The vast majority of breaches involved traditional devices, such as desktop computers (25%), file servers (22%) and laptops (22%). Only 10% involved "the cloud" or other Web apps.

- Two thirds of all breaches targeted data stored on devices, and one third attacked data being actively processed on a device (such as an ATM or credit card reader).

The most common cause of data breaches remains errors by company staff. Unapproved hardware, malware, phishing and misuse of credentials were all highly successful targets/techniques utilized by data thieves to infiltrate data systems.

Clearly, awareness and training of your entire staff are critical components of any data breach prevention program. But also remember that, when even your best efforts fail, a safety net created by cyber insurance protection can be the difference between a major hassle and a major threat to the financial survival of your company. Talk with our representatives today about risk management and insurance options to address data breach exposures in your workplace.



Nailed by a ‘Hammer Clause’

A typical provision of many professional liability policies is the “consent to settle” clause. It provides that your insurance carrier cannot settle a liability claim against you without your consent.

There are several reasons a business might refuse consent. Some fear a loss of prestige and reputation, while some refuse to settle on an allegation when they are innocent. Even in these cases, an insurer may strongly sense the case is unwinnable due to experience with similar cases.

Before making any decision about giving or withholding your consent, you need to know what your policy says about it. There may be consequences for your coverage, known as a “hammer clause.” For example, what if you withhold your consent to settle a claim for a small amount, then later the court awards a significantly higher amount to the claimant? Since the carrier could have settled the claim for far less if you had consented, you might have respon-



sibility for any portion of the additional amount paid.

Alternatively, you may strongly want to settle the claim, but the insurer feels such an offer would be premature and prefers to continue the process. What are your options in this scenario, and what effect could they have upon the insurer’s

ability to defend the claim or offer future settlements?

Have confidence in your liability insurance policies. Review them yearly and talk to us about any areas you might like to address so at claim time you are comfortable with the procedures and coverage.

Avoid Workers Comp Audit Surprises

Your workers compensation premium is based upon the employee duties and payroll figures you estimate for the coming policy period. Those estimates may vary significantly from your actual results. As a result, your ultimate premium will typically be based upon an audit following the close of your policy term.

If the audit finds your actual premium to be higher than that generated by your estimate, your carrier will bill you for the additional amount due. Lower final figures will result in a refund.

To avoid unpleasant surprises, both you and your carrier will benefit from a clear and accurate audit process. Here are some key steps:

- Be ready to answer auditor questions about payroll records and whether they accurately represent the work done

by all departments and employees.

- Have access to prior audits and records. Key issues from past audits are likely to be reviewed.

- Make sure your payroll documents clearly reflect the breakdown between “straight pay” and overtime. Workers compensation premiums are typically based upon regular wages, discounting for overtime, so accurate records could mean savings.

- If you use subcontractors or independent contractors, have on file certificates of insurance documenting that these people have their own workers compensation insurance. If they don’t, rules might require they be considered your employees and their payrolls be included in your premiums.

- Unlike many businesses, construction companies are able to

use more than one classification code for their operations, even dividing between the applicable classifications the payroll of an individual employee who does multiple types of work. There is a catch, however. Your payroll records must document the actual hours spent by each employee in each of the different workplace exposures. If your records fail to do so, all payroll for that employee will go into the most expensive classification applicable.

While some folks hear the word “audit” and have nightmares of the IRS, insurance company audits are typically lower-key affairs. If you follow these guidelines and keep timely, accurate records throughout the year, unpleasant surprises will be minimized or eliminated.

Thank you for
your referral.

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

Springing for New Office Equipment?

As spring ushers in growth of all things new, maybe it's time to ask yourself if it's time to replace your firm's aging office equipment.

Dated tools can reduce your company's efficiency in multiple ways. Older computers and other office equipment take up space, crank out heat and waste energy. One change to consider is transitioning your office network to a cloud storage server. A growing number of businesses are doing this, and there are many options available.

If you make changes to your office equipment, don't forget about your commercial insurance policy. While your property policy will need to be updated, your cyber risk policies could also be affected. Those include coverage for physical equipment and data liability issues, which can be very costly if an uninsured problem arises.

We have numerous options for computerized equipment coverage tailored to your specific needs. Let's talk about upgrades to your systems and your policies this spring.