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## Renovating and Repairing Buildings

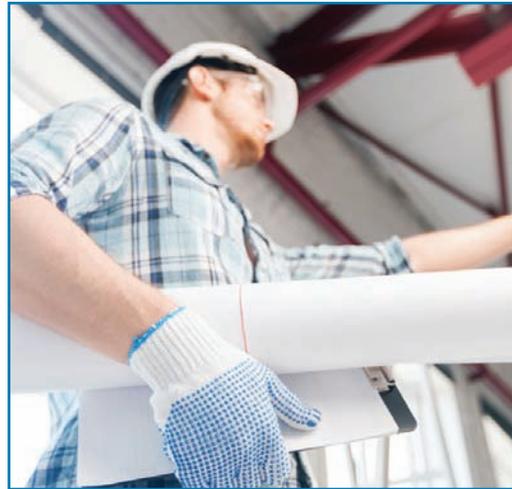
Whenever you are modifying your existing property or adding new structures, make sure your current property insurance protection will apply to the new or modified structures and contents during construction. While standard property policies provide some protection for newly constructed or acquired buildings, there may be limitations or exclusions that leave portions of your buildings or contents exposed to costly losses.

One such risk that may be overlooked is protection for construction materials that are not located on the jobsite. For example,

high-value materials like piping, flooring or HVAC hardware might be stolen or damaged while in transit to the jobsite or stored at a temporary, off-premises location. A contractor should have adequate insurance to cover such a loss, but that's not always a given.

Reduce the potential for a surprise insurance loss by keeping your insurance agent up-to-date on any commercial renovation or construction project you plan

to undertake. We can help you design solid insurance protection for your building and materials, so talk to us as part of your contracting negotiations.



## Parking Facility Safety Needs Priority Attention

Does your workplace parking facility say “bright and secure” or “spy movie rendezvous”?

We've all seen those movies where the super-secret meeting is held in a shadowy, menacing parking facility. But while your employees may appreciate spine-chilling tension in a movie, few enjoy that in their regular workplace garage. Yet for millions of workers who park in such facilities every day, low ceilings, small spaces and plenty of shadows are the norm. Consider safety precautions you can implement or request of your landlord:

- Install security cameras and make

their presence known to all visitors.

- Use a buzzer system for access to stairwells and elevators so only announced and permitted guests can enter.
- Hire a garage monitor who walks or drives around checking for loiterers, thieves or other troublemakers.
- Make sure lighting is adequate and consider installing mirrors to increase visibility around corners. These also can help drivers avoid accidents.

Mitigating parking facility hazards is a good business practice and shows respect and concern for both employees and visitors.

## Green Roofs Are Growing



Whether driven by an improving economy, governmental regulations or client preference, “green” construction techniques are becoming a part of the conversation. While the term “green” may involve many different techniques and materials, one increasingly popular topic is the installation of a “green roof.”

Also referred to as a rooftop garden, a green roof consists of a vegetative layer installed on a rooftop. According to the EPA and green construction groups, on a hot summer day, the surface temperature of a green roof can be substantially cooler than a conventional one, resulting in benefits such as:

- \* Reduced energy use
- \* Reduced air pollution
- \* Reduced greenhouse gas emissions
- \* Enhanced stormwater management.

Add these up and you have a strong argument for improving quality of life, human health and comfort, and the simple attractiveness of a garden or landscaping replacing typical tar, metal, shingles or concrete.

If your firm currently has or is considering including green construction such as rooftop gardens in your plans, talk with our service staff about any changes that may be required to keep your insurance protection aligned with these new and evolving techniques and materials.

## Changing Your Company’s Legal Status

Changing your company’s legal status from a sole proprietorship to an LLC (limited liability company) or corporation can have severe implications for your current insurance coverages, potentially rendering much of your planned, valuable protection useless.

Thirty years ago, creating any entity beyond the basic sole proprietorship typically involved an attorney, but today there are multiple websites where you can alter your legal status literally during lunch with just your credit card and a click.

While such sites often tout the tax advantages and possible liability protections arising from moving from a sole proprietorship or simple partnership into

one of a corporate formation, few provide extensive information on the insurance implications of your status change. It’s important, however, that you look into these issues.

Your management liability coverage, such as directors and officers insurance, and workers compensation insurance requirements could change, and your insurance company needs to know about your new status, since it might have different policy language that needs to be implemented. If you are considering changing your company’s legal status, contact us to go over the insurance implications so you can plan to maintain top-quality financial protection as you grow.

## Get Protection That’s as Mobile as Your Data

Highly complex software, once only found locked into hardware at the office, is now widely available at outside jobsites or anywhere an employee may be located, stored on the latest mobile devices and on the “cloud.”

While the convenience is obvious, your company now has more risk to manage: both the devices and the information they contain can be lost. Beyond the risk of theft or loss, there are other considerations. For example, are you certain the mobile device is tough enough to withstand your working conditions? How will your

current insurance protection respond for loss of these new devices or their software or data while at a jobsite or in transit? Do your current risk management guidelines take into account that some of your crucial and confidential data are far more accessible to a rogue employee or hacker on a mobile device than when kept solely on your office computer?

With the rapid deployment of these valuable new technology options, be certain your protection is as mobile as your information tools. It might be necessary to go beyond the device provider’s damage warranty, especially where data breach and network security are concerned.



## Know Warning Signs for Tornadoes

Everyone knows about funnel clouds. But by the time you see one, valuable time may have been lost.

The National Oceanic and Atmospheric Administration (NOAA) Storm Prediction Center says the following are signs a tornado could be imminent:

- \* Strong, persistent rotation in the cloud base
- \* Whirling dust or debris on the ground under a cloud base—tornadoes sometimes have no funnel
- \* Hail or heavy rain followed by either dead calm or a fast, intense wind shift; many tornadoes are wrapped in heavy precipitation and can't be seen
- \* Loud, continuous roar or rumble, which doesn't fade in a few seconds like thunder
- \* Small, bright, blue-green to white flashes at ground level near a thunderstorm (as opposed to silvery lightning up in the clouds), typically an indicator power lines are being snapped by very strong wind, possibly a tornado



\* Persistent lowering of the cloud base, illuminated or silhouetted by lightning, especially if it is on the ground or there is a blue-green-white power flash underneath.

If you are in an area subject to tornado activity, be sure to have an updated catastrophe plan in place and communicated to your employees.

Tornadoes occur in many regions of the U.S. and are particularly dangerous to sprawling warehouse-style buildings and trailers, though a strong tornado is a threat to even the sturdiest structures. Training staff and management on tornado identification and response—for both indoor and outdoor workers—can save lives.

## Independent Contractor or Employee?

Proper classification of workers as either employees or independent contractors has implications for tax responsibilities, workers compensation insurance, and your company's standing with regulatory agencies.

The key determinant of employee versus independent contractor status is a set of guidelines issued by the Internal Revenue Service. The vast majority of other entities that need to determine classification—such as state workers compensation regulators—rely upon the IRS rules for their own decisions. Among the guidelines are questions such as:

- Can the worker make a profit

or suffer a loss arising from the project?

- Is the worker providing services to more than one business at a time?

**If you are a worker's only client or job, you might have a classification concern.**

- How much control does the business exercise over the worker's location, tools and hours?

Your answers can help clarify each worker's classification. For example, in answering the second question at left, a true contractor must have the right to conduct multiple operations for multiple businesses at a time. If you are a worker's only client or job, you might have a classification concern.

Misclassifying workers can affect your workers compensation insurance and your financial protection. It can also lead to fines and other regulatory action. Talk to a professional insurance agent about your classifications to be sure you are operating within the law.

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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

## Vacancy Clauses Can Crimp Coverage

Most insureds understand that, if a building or location stands empty for long enough (60 days is typical), commercial property insurance policies will limit or exclude certain losses at the vacant premises.

But what if you have three buildings insured under a single policy at a single location, two of which are occupied but one of which is vacant, and the loss occurs to the vacant building? Does the fact that much of the location is occupied make a difference, or is the vacancy of the one building where the loss occurred sufficient to limit the coverage? What if you own a multi-unit building and most of the building is occupied but some units are vacant? How will that affect a loss in a vacant unit?

It's possible that modifications to your policy are available to address some vacancy situations, so talk to our professionals about your vacancy issues to make sure you retain the maximum protection possible.