Your BUSINESS

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HENRY D YOUNG Inc
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Texting and driving—don't do it

In today's business world, the people we work with expect to be able to reach us all the time—and technology has made this easier. However, just because we can answer a business call or text while driving doesn't mean that we should—even though we are all guilty of it from time to time. We all know driving while using a hand-held cell phone isn't the smartest thing we've ever done, but did you know … texting while driving causes: 1.6 million accidents per year (National Safety Council); 330,000 injuries per year (Harvard Center for Risk Analysis Study); 11 teen deaths every day (Insurance Institute for Highway Safety Fatality Facts)?

Not only is it dangerous, but the use of hand-held cell phones for talking or texting is illegal. New Jersey law bans the use of a hand-held cellular phone while driving, including permit or provisional licensed drivers. Drivers who talk or text on a hand-held cell phone while driving face a fine of no less than $100 (or more than $250).

If your business utilizes company cars, all these fines and possible points for distracted driving on a driver's license can affect the company's car insurance rates and premiums. Or, your insurance policy may not cover an employee who has an accumulation of points on his or her license. So, play it safe: Don't text or talk on your hand-held cell phone unless it's an emergency. And, if you have any questions about your business's insurance policies, give our agency a call. We are here to help you.

Index

Make sure property in transit is covered 2
Would you benefit from a company car? 2
Timeliness is vital when filing an insurance claim 3
D&O insurance has become a necessity 4
News from our agency 4

Make sure property in transit is covered

Shipping property requires a little thought and some attention to insurance implications. Your regular property insurance program covers property in transit, but it is probably quite limited. One standard insurance form limits coverage to $5,000 and covers only property in vehicles you own, lease or operate. Some insurers enhance this coverage, but generally offer only a smaller limit, such as $25,000. Also, the coverage usually is "named perils," and is not as broad as that of an inland marine coverage form. If the value of goods you transport by vehicle exceeds your limit, you may want to upgrade your protection.

If you frequently contract with others for your shipping, you probably have an annual transit insurance policy. If your company is starting to ship more frequently and you do not have such a policy, it is worthwhile to consult with us to make sure this coverage is appropriate for you.

This coverage often is suggested under builders' risk policies, due to the necessary transportation of building materials and lender requirements. If you only contract to ship valuable property occasionally, you may want to inquire about a "trip transit" policy to cover the specific shipment. If you ship via water, you may need a type of insurance known as "ocean marine."

There are many possible options, and we know it can be overwhelming. We can help you choose the best option for your unique circumstances.

Would you benefit from a company car?

It's an important question for a business, because commercial auto insurance premiums sometimes run two to-three times those we pay to keep our personal vehicles on the road. And, like many insurance-related questions, the answer is: It depends.

Some scenarios scream for commercial coverage:

- your vehicles are rented out to others;
- they are used in a livery service (á la a limousine or taxi service); or
- they are outfitted with specialized equipment for snowplowing, catering or some other similar commercial endeavor.

What about vehicles that do double duty for personal and work use? The truth is, many vehicles see purely business use from 9 a.m. to 5 p.m., but afterward business's allow employees to use company vehicles for personal needs (dropping off kids at school, making grocery store runs on lunch). How does that work from an insurance perspective?

On the other hand, some employees use their own cars for work (making small deliveries, picking up supplies, making company bank deposits). This is most observed often in small businesses. You might already have company cars and not realize it. How does that work from an insurance perspective?

In fact, this last story is all too common: the pizza delivery driver or landscaping contractor calling insurance companies after an accident only to be told the personal car insurance won't cover the change. The pizza driver was transporting commercial goods; the landscaper's truck is rigged with ladder racks and toolboxes for work.

Depending on the nature of your business, your vehicle use and your insurer's auto policies, you might need commercial car insurance. In the end, however, the complexities involved in commercial car insurance resist hard-and-fast answers. Give us a call today, or stop by the office. We'll find out exactly what coverage you need for your business' specific situation.

The information in this newsletter is meant as a guideline only. There is nothing in this newsletter that alters the coverage or interpretation of any specific policy. Because some statements are generalizations, and because different

Timeliness is vital when filing an insurance claim

Insurance policies are designed to protect businesses in the event of an accident; vandalism; theft of tangible possessions (such as automobiles or computers) or intangibles (such as research results or proprietary information); and other crimes. While most businesses continue to pay their premiums on time month after month without giving it much thought, some may fail to see the importance of submitting a claim in a timely fashion.

Just how important is it to file the claim right away? Consider the following scenario:

There has been an incident in which an employee is injured on the job. The worker's injuries are minor and the company decides to settle the claim without notifying its insurance company. Later, the employee in question determines the company was negligent and did not provide necessary safety measures, which could have prevented the accident. To cover the new claims, the company decides to file a claim with its insurance company regarding the accident, which, at this point took place months ago.

In response to the business's query, the insurance company denies the claim, leaving the business to cover the full cost of the employee's settlement and even possible legal fees.

Why was the claim rejected? Does the insurance company have the right to deny the claim? In the duties after loss section of most insurance policies, it states that a failure to report the claim in a timely fashion causes a breach of condition of the policy. Since the business that holds the insurance policy failed to uphold its part of the agreement, the insurance company isn't legally obligated pay the claim.

"While submitting a claim promptly is the easiest way to avoid the stress of a denied claim, there are some general instances when tardiness can be excused."

Timelines and definitions of "a timely fashion" can be as little as a few days after the incident, but can vary depending on the circumstances of the situation and often is decided on a case-by-case basis.

While submitting a claim promptly is the easiest way to avoid the stress of a denied claim, there are some general instances when tardiness can be excused. If it can be proven that the claimant was unaware that an occurrence took place or had reason to believe he or she was not accountable for the situation; or if the person was in the hospital and/or physical unable to submit a claim and extension of time may be granted.

Make sure the protections offered from your insurance policies are realized fully when they are needed—always file claims as soon as possible when the situation arises. If you have any questions, give our agency a call. We are here to help you.

companies' policies contain slight differences, please refer to your specific policy. Call our office before making any judgments or decisions concerning your particular situation and coverage that may, or may not, apply.

D&O insurance has become a necessity

The most important purpose of insurance is to protect against risk—and people often overlook risks faced by company directors and officers. Shareholders, customers, regulators, competitors, creditors, employees and special-interest groups are suing directors and officers for misrepresenting financial information, engaging in unfair trade, insider trading and more. Even if the allegations are unfounded, a lawsuit still can be brought.

In an increasingly litigious society, your company could be the next target for legal action. As exposures and liabilities threaten businesses, their directors and officers are held accountable more often for their roles in such adverse situations. Settling such suits can be costly and may even bankrupt a company or individual.

Public companies, private companies and not-for-profit organizations should consider directors and officers coverage to protect a wide range of individuals from lawsuits and the associated costs of litigation. D&O liability insurance offers your individual directors and officers the protection they need from personal liability and financial loss arising out of wrongful acts committed or allegedly committed in their capacity as corporate officers and/or directors.

D&O coverage is available in a wide variety of coverages and prices. The kind that's right for your business depends in large part on its size, type and financial characteristics. Certain D&O policies can incorporate specific coverage provisions for the nature of your organization.

Most organizations, both public and private, can benefit from D&O insurance. Protect your company's financial resources and reduce your exposure to claims. Call our agency today. We can help you decide whether a D&O policy can help protect yours.

News from our agency

Staying informed and up-to-date on your company's insurance policies isn't just a wise precaution, it also can save you money and give you peace of mind. If you haven't reviewed your coverage in a while, you might be paying for things that no longer apply to your situation. Or perhaps you have a gap in coverage you were unaware of. Other insurance carriers might be offering better options that meet your coverage needs. If you've simply been renewing your policy over and over for a while, sitting down with your agent for a review might leave your business with better protection as well as a little more in your bottom line.

We can go over your policy together to make sure you're properly covered and not paying for something unnecessary. We're here for you. If you need our help, give us a call. We can be reached at (856) 935-0845 or by visiting our website at www.hdyoung.com. You also can find us on Facebook.