

# Your BUSINESS

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## Loading and unloading— auto or general liability?

When an accident occurs while loading or unloading a commercial vehicle, you need to know where to make the claim. Is it going to be covered by your business auto policy or your commercial general liability policy? If the same insurance company writes your policies, it becomes a matter for that insurer to resolve internally. However, when the policies' insurers are different, you may end up with the dual disclaimer predicament.

In most cases, the two policies provide sufficient guidance to determine coverage. These standard policies have complementary provisions that

assign coverage to the BAP policy when moved from the place where property is accepted by the insured for movement to the place where it is finally delivered by the insured. The CGL policy responds to loss occurring prior to acceptance and after delivery. In addition, the CGL policy covers the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the auto.

But, conflicts, for example, have arisen over losses during transit, the meaning of a mechanical device, the meaning of a hand truck, the determination of final

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delivery and state financial responsibility laws. A claim for loading and unloading losses should be reported under both policies to ensure that contract conditions have been met. If they are covered by the same insurer, no problem. If not, don't hesitate to enlist our agency's assistance in helping to sort things out with the insurers.



## Advertising and personal injury: Your intentional acts protection

The virtual world surrounding today's marketplace creates a breeding ground of risks to which your business could be susceptible. Fortunately, there's coverage available to protect you from these risk: Coverage B, or Personal and Advertising Injury Liability Insurance.

Coverage B covers an act that somehow violates or infringes on the rights of others, and for the most part involves *intentional acts*.

Wait ... Did we just say that insurance covers intentional acts? Yes we did. Normally, insurance policies primarily cover accidents, but this is where Coverage B shines as an asset to your business.

Coverage B protects a business from claims that arise out of a violation of a person's legally protected right, and that violation and infringement may result in a loss to the individual.

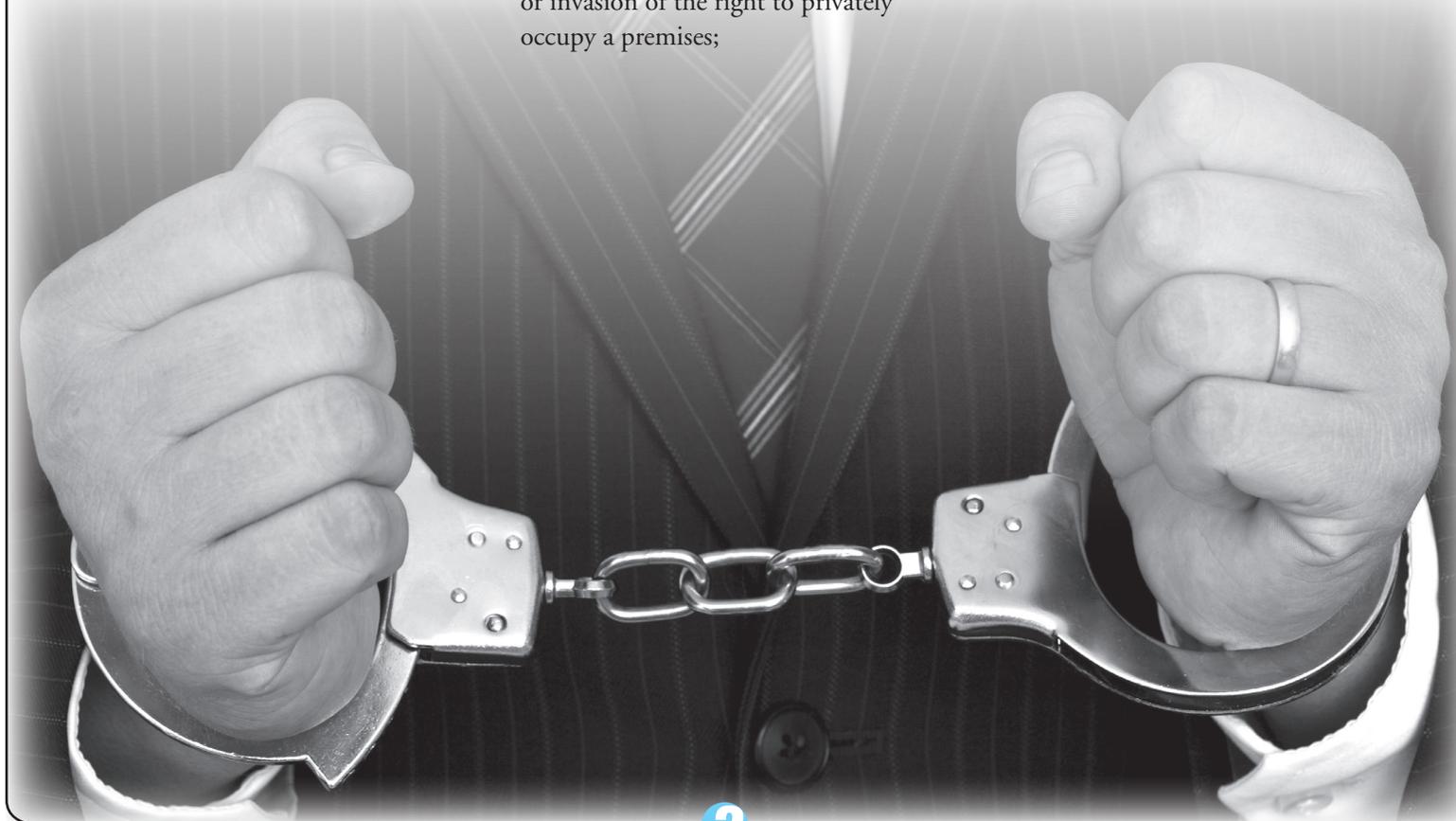
When these claims happen, the law often provides monetary damages as a relief for the wronged individual. Coverage B can help ease the financial burden of these claims. However, since persons and organizations have numerous rights that are legally protected, Coverage B is limited to only specific events listed in the policy.

So what does Coverage B actually cover? It provides coverage if the following offenses arise out of the business of the named insured:

- false arrest, detention or imprisonment, which is the unjustified keeping of someone against their will or unjustified forcible restraint;
- malicious prosecution, which includes instituting any legal proceeding without probable cause or proper cause;
- wrongful eviction, wrongful entry or invasion of the right to privately occupy a premises;

- oral or written publication of any material that slanders or libels another person or organization, or disparages their goods, products or services;
- any oral or written publication that violates a person's right to privacy, which applies to securing medical records, financial information and social security information;
- the use of another's advertising idea in your own advertisement; or
- infringing upon another's copyright, trade dress or slogan in your advertisement.

While this is just a brief outline of the coverages afforded by Coverage B, it is more complex than it seems and is subject to multiple exclusions. To learn more about Advertising and Personal Injury Liability Coverage, give our agency a call. We will gladly explain all the coverages and exclusions, and how they will affect your business.





## Condo loss assessment coverage

Prior to Hurricane Matthew's destructive path, a major hurricane had not made landfall in the U.S. for a record-breaking 129 months. Of course, you know what that means. Stock up on canned food and batteries because it's hurricane season. When making sure you are covered in the event of a hurricane, don't overlook loss assessment coverage for condominium owners. Typically, condo association bylaws will state that when a building or a commonly shared area sustains heavy damage from an insured disaster but the losses are not fully covered by a condo association's master policy, then the association may assess a proportionate share of the uncovered losses to all the unit owners.

The good news is that the chances this coverage already exists on your National Flood Insurance Program Standard Flood Insurance Policy or SFIP are good. SFIPs consist of three parts: 1.) the Dwelling Form, 2.) the

General Property Form and 3.) the Residential Condominium Building Association Policy Form, or RCBAP. It is the Dwelling and RCBAP form that are relevant when discussing loss assessments.

### **“SFIPs consist of three parts: 1 the Dwelling Form, 2 the General Property Form and 3 the Residential Condominium Building Association Policy Form”**

The Dwelling Form provides limited coverage for loss assessments against unit owners for flood damage to common areas of any building owned by the condo association. The amount of coverage under the Dwelling Form you have will depend on whether or not there is RCBAP.

If there is no RCBAP, you would only be covered under the Dwelling Form for damages to common areas, up to the building coverage limit under the Dwelling Form.

If your policy includes an RCBAP which covers at least 80 percent of the Replacement Cost for the damage, then the Dwelling Form will pay that part of the loss that exceeds 80 percent of the association's building replacement cost.

Finally, if there is an RCBAP present that covers less than 80 percent of the Building Replacement Cost, the Dwelling Form will provide coverage to you once the RCBAP limits are exhausted. However, the Dwelling Form will cover to any coinsurance penalty under the RCBAP no matter if the limits on that policy have been exhausted or not.

If you have any questions about this coverage, call our agency today. We'd be happy to sit down and walk you through it.



## Prevent spoilage from ruining your business



Many types of businesses need spoilage insurance. Restaurants, supermarkets, drug and convenience stores come to mind immediately, but even laboratories or businesses that ship or handle perishable products have a risk of spoilage.

While spoilage coverage is not included in a standard commercial property policy, it is available as an endorsement, and it is generally inexpensive. Typically, approved causes of loss covered under a spoilage endorsement include prolonged power outage and equipment breakdown or failure, so you also may consider mechanical breakdown coverage, for spoilage that occurs due to an equipment breakdown. This coverage may help reimburse you for repairs or replacement costs for food-storage-related equipment, such as refrigeration systems, piping and mechanical and electrical machines.

Managing risk and being proactive with loss control is always a smart move, and it can save your business time and money, as well as improve the overall quality of its operations. Here are some important

policies for your business to follow to prevent spoilage related losses:

- Insist your employees wash their hands, cutting surfaces and utensils before and after handling food of any kind. Never chop lettuce or any vegetable on the same surface you just chopped chicken on without cleaning it first. Cross contamination could lead to salmonella.
- Pay close attention to food temperature standards and protocols.
- Rotate foods so that the first foods into the cooler are the first foods that come out of the cooler.
- Inspect food, especially produce, for freshness before accepting delivery.
- Schedule periodic inspections to ensure foods and perishables are at the appropriate temperature, employees are handling food safely and all the produce is fresh.

We know you want your business to have the best protection possible. If you have any questions or want to know more about certain coverage, call us today. We're happy to sit down and talk to you.

## News from our agency

### Find the right fit to protect your business

Whether you are a business with five employees or 500, one thing is clear: Today's business world is more complicated than ever before. With rising technology; the integration of social media into your company; and a plethora of other developments, the potential risks are ever-increasing. This is why it's vital to have the right business insurance—the right insurance agency.

At our agency, we've made protecting your business *our* business. By growing and adapting to the ever-evolving world, we will help you manage the risks that come along with owning and running your business. We can visit your company, assess your business or corporate requirements and provide cost-effective solutions to meet all your business insurance needs.

Controlling risk may have become more difficult, but choosing the right insurance agency is as simple as it has always been. Call us today for a consultation. We can be reached at (856) 935-0845 or by visiting our website at [www.hdyoung.com](http://www.hdyoung.com). You also can find us on Facebook.