



tips & trends

Business Edition



Gentzler & Smith Associates, Inc

Are Your Firm's E-Security Risks Adequately Insured?

It sometimes appears that the best security software can't keep up with computer hackers; especially those from foreign countries. Daily we read about government and business websites hacked and confidential information stolen. Or, money transferred out of the country from businesses using online banking. If your firm conducts business over the internet, it is at risk. The best defense is twofold. First, maintain a robust software defense using the most up-to-date technology. Secondly, be certain that your business insurance policy has coverage for Funds Transfer Fraud. This provision covers losses resulting from a fraudulent instruction (electronic, cable, teletype, facsimile or telephone) by

someone claiming to be you or your employee directing a financial institution to transfer, pay or deliver funds from your account. Funds transfer



fraud coverage can be combined with other Crime Coverages to provide a comprehensive package of protection against financial losses resulting from criminal

acts committed by outsiders and employees.

Why wait? Review your current policy or give a customer service representative at our agency a call to discuss and review. Let's work together to keep your business properly insured for today's contemporary internet threats.

Take Time to Consider an Insurance Check-up

A major component of every successful business is adequate and cost effective insurance protection. Keeping that insurance relevant to your current business situation requires periodic insurance check-ups. Why? Well, we all know how quickly things can change in today's business environment. Many firms face new risks as they expand operations,



incorporate new technology, add products, etc.

That's why we review your account periodically to determine if existing coverages and limits match your business exposures. And contact us if you believe that your existing policy needs updating. We can discuss options to meet the firm's emerging needs and close any coverage gaps.

What is a Premium Audit?

An accurate premium audit is a benefit to both the insurance company and your business. An initial premium for some policy types is estimated at the beginning of a policy period based on past records of its operations. Policies with variable or fluctuating exposures, such as payroll, total cost, sales/receipts, etc. will have estimated exposures when written. After the policy period ends, a premium auditor conducts a premium audit to determine what the exact insurance exposures were during the policy period. If necessary, the insurance premium is then adjusted upward or downward to reflect a business's actual exposures. Below is a sampling of the typical

records the insurance auditor may want to review:

- ▶ Payroll records
- ▶ Sales Journals
- ▶ Certificates of Insurance
- ▶ Employee records
- ▶ Cash disbursements

Usually polices such as workers compensation, general liability, garage liability and others are audited. Insurance carrier employees conduct the audits whenever possible.

Call a sales executive or customer service representative if you have questions or concerns about the business insurance premium audit process.

In this issue of our newsletter, the **Coverage Coach** answers the following question from a commercial property-casualty customer: Our firm's primary liability limit is \$500,000. Why would I need a commercial umbrella policy?

The Coach's response is as follows: A covered bodily injury or death claim resulting from an

auto accident or some other incident arising from your business operations and where your firm is liable could easily exceed \$500,000. Once the primary policy limits are exhausted, your firm would have to pick the tab for damages and costs above the \$500,000 limit. If you are a business owner, securing adequate insurance protection is one of the best investments you can make. If your firm does not have a commercial umbrella policy, it should consider purchasing one. As an independent agent, we can shop our many markets and secure this coverage at an affordable premium.



Fork Lift Usage Best Practices



Fork lifts are an important transportation tool in many construction, industrial and warehouse settings. However, they may cause serious injuries if used by employees without proper training

According to the National Institute for Occupational Safety and Health (NIOSH), deaths associated with forklifts are rising. The average age of a fatally injured worker was 38 years. The three most common factors leading to a fatality were forklift overturns, pedestrians struck by forklifts and workers crushed by forklifts. For our clients who have employees using forklifts in their jobs, we offer a sampling of basic industry tips to insure safe usage of fork lifts by employees:

- ▶ All drivers should be fully trained and approved by your firm.
- ▶ Never allow drivers to accept riders or engage in racing.
- ▶ Require drivers to slow down, stop and honk their horns when crossing an entrance.
- ▶ Drivers should wear lap and shoulder belts, safety glasses and a helmet.

- ▶ Drivers should be aware of the load limits of their forklift; likewise for the weight of the loads they are carrying.
- ▶ Require drivers to always yield to pedestrians, even if they are in a forklift only zone.
- ▶ Ban driver distractive behavior, like smoking, eating or talking on cell phone when driving a forklift.

Some risk management experts recommend attaching a safety checklist to forklifts. Such a checklist serves as a safety reminder, reinforces training and demonstrates due diligence on the part of management. More information for employers about current OSHA rules can be found in their publication titled Final Rule for Powered Industrial Truck Operator Training (29CFR1910.178(1)).

A forklift is very convenient tool for moving cargo from one place to another. As with any other tool, users must be aware of the dangers, practice safety precautions and use common sense when operating one.

Take Advantage of Government Services For Small Business

The federal Small Business Administration (SBA) offers a multitude of support services for small and mid-size businesses. For example, they offer a wide menu of services to help businesses expand; a priority for any business in today's challenging economic times. To access their services go to the website **www.sba.gov**. On the home page, you can choose from a menu that includes the following:

Small Business Planner	Services	Tools	Local Resources
> Plan your Business > Start your Business > Manage Your Business	> Financial Assistance > Grants > Contracting Opportunities	> Audio/Video > Library & Resources > Marketing & Outreach	> District Offices > Disaster Field Offices > SCORE

These programs are paid for by your tax dollars, so take advantage of them to improve and grow your business.

The information, suggestions and techniques contained in this newsletter are offered as informational items only, and this agency makes no warranty of any kind, expressed or implied, as to the accuracy of the information or its fitness for a particular purpose.