

# Commercial Connections

## Commercial Building Vacancies Cause Coverage Gaps

**A**s the commercial credit markets have tightened, so has the use of commercial office space. Owners of office buildings are feeling the crunch.

Unfortunately, owners suffering from a lack of tenants have yet another issue to be concerned about—the vacancy condition in the commercial property policy. Specifically, the policy states a percentage of the total square footage of a commercial building that must be occupied to avoid meeting the policy’s definition of vacancy. Further, if that percentage is not met for more than 60 consecutive days, the policy will pay only a portion of certain losses, such as fire, and completely exclude others, such as sprinkler leakage, water damage, vandalism and theft.



Most policies require that at least 30% of a building be occupied to avoid partial or total loss of coverage. Fortunately, many policies can be easily amended to lower this percentage, helping to protect your property during the time you need it the most.

For more information on your policy’s vacancy conditions and available tenancy endorsements, give our service team a call.

## Insuring Plan Administrators in a Bear Market

**B**ear markets place significant burden on employee benefit administrators. When things aren’t going well, those suffering losses often look to administrators for an explanation or to place blame. Moreover, attorneys are on the prowl to bring suit against employers whose funds have depreciated substantially or have failed altogether.

Some business insurance policies include limited liability coverage for errors and omissions in administration of employee benefits, but most do not cover fiduciary liability. For those that don’t and to cover wrongful acts under ERISA, employers likely need a separate liability policy often called fiduciary liability.

Fiduciary liability insurance pays the legal liability arising from claims of imprudent handling of employee funds, and it protects the personal assets of plan administrators from allegations of breach of duties.

For more information on your potential risk and insuring against it, call our service team today.

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- Prevent Neck Injuries at Desk Jobs
- Small Pickups Might Not Be Best Choice

## Prevent Neck Injuries at Desk Jobs



According to Business & Legal Report's Safety Daily Advisor, the most common workplace neck injuries are neck spasms. These spasms often take a long time to heal—resulting in missed work and decreased productivity—and increase the probability of an expensive workers compensation claim.

The most common causes of neck spasms in the workplace are poor posture, improper lifting, and physical stress on neck muscles from activities such as working on a computer for hours at a time. To avoid neck injury:

- Use ergonomically friendly furniture and technology. Use a chair with good back support and a comfy cushion and set it at the right height to allow feet to rest flat on the floor or on a footstool. Make sure that keyboards offer support for the wrists and that phones, for those who do a lot of phone work, have earpieces that don't require contortions of the jaw or neck.
- Adjust computer monitors. The computer's monitor should be adjusted so that the eyes align with a point two to three inches below the top of the screen.
- Use good posture and relax. Slouching and leaning forward increase strain on the neck. Shoulders should be kept down and relaxed while typing.
- Take a break. Simply stretching and taking a short walk helps muscles relax and blood to circulate.
- Finally, encourage employees to report any neck pain they develop. Early treatment and adjustments to the workstation can prevent aggravating the injury.

## Does Your Firm Have Cyber Liability Risk?

How serious is your firm's cyber liability risk? According to the 2007 CSI Computer Crime and Security Survey, 46% of companies had experienced one or more security incidents in the prior 12 months.



More concerning is the severity. The average reported loss in 2007 increased to \$350,424 from \$168,000 the previous year.

Yet, despite the obvious spike in activity, private firms continue to forgo purchasing insurance coverage for cyber risks—a classification of losses including security breaches, lost data, damage to hardware, and other costs attributed to cyber attack. A recent survey by a national insurance company reveals that more than 90% of private companies do not purchase cyber liability insurance. One in two companies cite “low risk/no exposure” as the reason for not purchasing coverage. Others don't purchase the coverage because they do not understand the substantial risk a cyber threat can pose to the company's bottom line.

For more information on the rapid expansion of cyber liability and your firm's risk, call our service team today.

### Small Pickups Might Not Be Best Choice

Business owners considering adding a small pickup to the fleet should proceed with caution. According to the Insurance Institute for Highway Safety (IIHS), only one of the five small pickup models—the Toyota Tacoma—received a rating of “good” in side-impact crash tests.

Small pickups have the highest driver death rate of any automobile segment. According to the IIHS, there were 116 driver deaths in small pickups per million vehicles registered in 2006.

This compares to 106 in minicars and 42 for small SUVs.

The worst of the five models tested was the Chevrolet Colorado/GMC Canyon, receiving ratings of poor, acceptable, and marginal in the categories of side rating, frontal rating, and rear rating, respectively. For more information on the IIHS's ratings for small pickups, visit the Web site, [www.iihs.org](http://www.iihs.org).