

IT'S YOUR Business

FROM THE COMMERCIAL INSURANCE GROUP OF
BRITTON-GALLAGHER & ASSOCIATES, INC.



How to Protect Your Business When Operations are Interrupted



If a tornado destroys the business location you occupy, what do you do? First of all, don't wait for a tornado to consider this decision! Consider adding time element coverage to your insurance policy before the tragedy occurs.

Time element insurance coverage provides payment for loss of earnings or income when business operations are interrupted, slowed or stopped as the result of a policyholder having an insured loss to covered property. Typically, there are four basic types of time element coverage. All four require loss to be caused by a covered peril; e.g., wind, in this case.

- The first and most frequently used coverage, Business Income (and Extra Expense) Coverage, provides reimbursement for both lost income and extra expenses incurred to continue operations from another location.
- Business Income (Without Extra Expense) Coverage is essentially the same as above but does not provide coverage for extra expenses.
- Extra Expense Coverage is used by businesses whose operations will continue without a loss of income, but extra costs will be incurred to continue operations.
- Leasehold Interest Coverage provides reimbursement for a policyholder that holds a lease with very favorable terms (below current market-rate rent, inclusion of utilities, etc.) at the time of loss, which cannot be duplicated in a subsequent lease.

Other possible coverages (for example, road construction driving away your customers

Introducing the Inaugural Issue of *It's Your Business*

Welcome to *It's Your Business*, a free publication from Britton-Gallagher for our Commercial Lines customers. We hope you'll enjoy receiving our new newsletter. It's filled with timely tips and topics to help your business thrive and prosper in today's ever-changing business arena. As always, if you have any questions or comments, we'd love to hear from you. Feel free to give us a call at 1.800.607.4711. We look forward to serving you.

or the loss of an anchor store that brought extra customers to your dependent location) are available, too. While all of these coverages exist in the insurance marketplace, they are not automatic. Make sure you review your current policy and call your Britton-Gallagher agent with any questions.

Ohio Stop Gap Liability Changes: Effective April 6, 2005

Stop Gap Liability insurance is necessary in Ohio because the State is the only source for workers compensation insurance. The state does not provide Employers Liability coverage which is typically included on workers compensation policies in most states. This insurance provides defense and indemnity protection if an employee or family member sues an employer for an employee's job related injury.

In Ohio, historically, an injured employee could claim workers compensation benefits and easily sue an employer for intentionally causing the injury. There are two types of employment intentional torts in Ohio. The legal threshold set by the courts established that if an employee could show that an employer knew, or should have known, an injury was *substantially certain to occur* as the result of some workplace condition, the employee could sue successfully and recover indemnity for his injury. This type of allegation was also deemed insurable by the courts. Allegations, where it was shown an employer acted in a manner to directly intentionally cause an employee's injury, were deemed to

be against public policy and therefore, not insurable. An employee could still sue and recover for his injury. There just would not be any insurance available to pay for it.

Ohio Revised Code section 2745.01 enacted by House Bill (HB) 498 went into effect April 6, 2005 and changed the landscape for employment intentional torts.

- HB 498 revises the definition of *substantially certain to occur* making it more difficult for employees to successfully sue their employers for an employment intentional tort.
- All Ohio Stop Gap Liability insurance coverage forms specifically exclude coverage for suits that meet HB 498's new tougher to meet standards which requires an employee to prove that an employer acted with *deliberate intent to cause the injury*.
- Employers may believe they no longer need Ohio Stop Gap Liability coverage as a result of this new law. Similar previous statutory changes have been challenged twice before in Ohio courts. Each time the

Ohio Supreme Court invalidated the law as unconstitutional. If the Ohio Supreme Court does eventually overturn the new law the law will revert to what was in effect prior to HB 498. If employers did not purchase Stop Gap Liability coverage during that time there would be no coverage in place to respond to suits subsequently filed that occurred during the time HB 498 was in effect.

Continue to buy Stop Gap Liability insurance. Make sure the policy provides coverage for substantially certain to occur types of allegations. If this new law is eventually overturned then you will not have a gap in your coverage for claims that occurred while the law was in effect.

You should plan on it taking two to three years for the issue to wind its way through the court system.

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Britton-Gallagher Offers New Certificate Tracking Service

Now, you'll no longer have to wonder or worry if you've missed important information about one of your vendor's insurance compliance requirements. B-G's certificate tracking service not only eliminates the possibility of overlooking a vendor's or subcontractor's insurance deficiencies, it eliminates the time and hassle you'd spend monitoring insurance certificates by hand.

B-G's certificate tracking service may quite possibly reduce your insurance costs, too, because it ensures that you'll greatly reduce

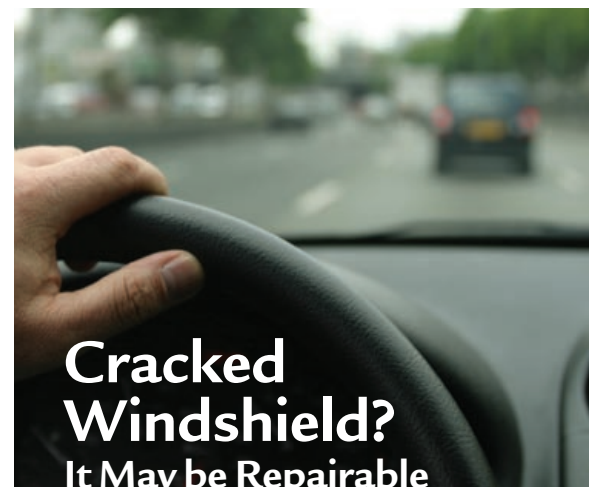
or eliminate exposure to uninsured or underinsured subcontractors and vendors—"partners" that can push your rates as much as four times higher than the standard insurance rate for vendors with adequate coverage. So safeguard your business against uninsured or underinsured vendors and subcontractors and you may quite possibly reduce your insurance costs in the process. To set up your account and start taking advantage of all that B-G's certificate tracking service has to offer, contact your B-G agent at 1.800.607.4711 today!

Call 800-607-4711

Commercial Insurance Group Agents



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Cracked Windshield? It May be Repairable

Today, modern techniques have made windshield glass repair possible under certain circumstances. Windshield repair is appropriate as long as the damaged area is not in the driver's line of vision and the area is smaller than a dollar bill. To fix these chips and bull's eyes, even when there are small cracks coming out of them, the technician will inject a resin into the damaged area, apply heat, and buff to a fairly spotless finish.

One great benefit to the policyholder is that if a repair can be made instead of actually replacing the windshield, the insurance company will usually waive the deductible.