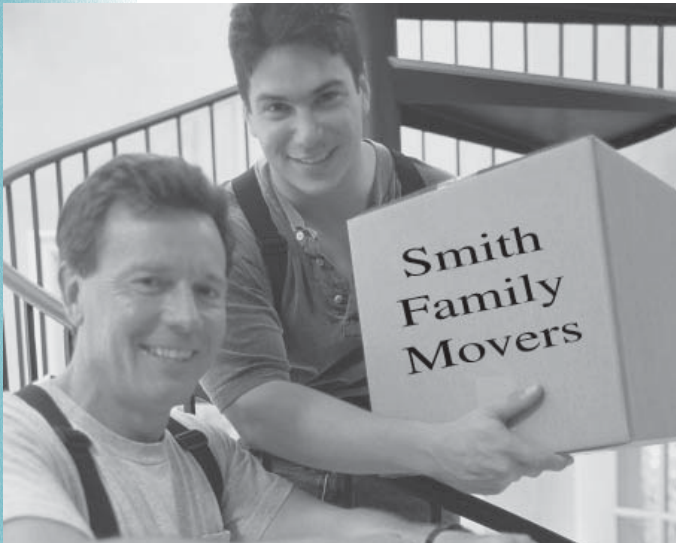


YOUR Business

Fall/Winter 2002

New Jersey



Perpetuating your baby

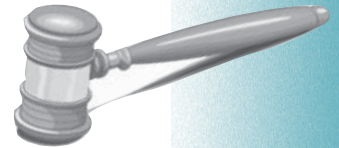
When people create their own business, they no longer view their work as just a job. Sole proprietors, partners, LLC members and closely-held corporate stockholders have an emotional stake in the success of their business, and in its perpetuation. Their business is almost like a member of the family.

If you own a business, guarding your little "family member" may be one of your priorities. In order to preserve your business for years to come, a plan must be in place to effectively transfer ownership and/or operations to someone else in the event of the death or disability of owners or key employees. Normally, a large sum of cash is needed at just the right time in order to fund such transfers of ownership or replacements of key employees.

Our agency helps businesses like yours in providing the needed cash by offering life and disability insurance products tailored to your specific needs. Planning is foremost in perpetuating your business, and the time to plan is before the need arises and an opportunity is missed. Let's get together and see how your insurance specialist, attorney and accountant can help you keep your "baby" in business into the next generation.

Protect your business in the litigation game

Legal action against employers is rising steadily, and recent judgments have favored employees. A June 2000 New Jersey Supreme Court decision broadened the realm of employer liability into cyberspace. Two years earlier, the same court ruled supervisors who sexually harass employees couldn't count on their companies' insurance policies to bail them out.



Every employer, large or small, faces a very real possibility of litigation. Employment-related cases, whether frivolous or factual, must be defended. Workers' compensation, general liability and other types of policies businesses typically hold won't provide the comprehensive coverage employers and employees alike expect.

Business owners should consider purchasing an employment practices liability policy to insulate themselves from the serious financial peril defense costs or money damage awards yield. This specialized protection covers employers, directors and officers for suits by employees. Some policies even offer a loss prevention program to help reduce the occurrences of claims.

Coverage and cost varies given the type and size of operation, and the account's employment practices. Location also has a distinct impact on coverage because part of the employer's liability is determined under state law.

Protect your company's financial resources—consider an EPLI policy. Give us a call and we will help you decide what is best for you and your business.

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Insuring the company car

Sure you have proper insurance on your car, but if your employees were to use their autos for business purposes, can you say the same? If an employee gets into an accident, his or her personal insurance will share its coverage with the employer, but this protection could easily be exhausted before your liability has been satisfied.

A commercial auto insurance policy is a sound investment whether your business owns company cars or has employees using their vehicles for company purposes. Liability coverage on a commercial auto policy has two parts: bodily injury and property damage. Bodily injury liability protects your business from being sued for bodily injuries, lost wages or even death by a person involved in an accident with one of your employees. Property damage liability will cover the cost of damages done to property and structures not owned by your employee or business in the event of an accident.

Contact our agency to discuss your employees' use of their vehicles for work-related purposes and how we may protect you. We can help design a policy that will fit the needs of your business.



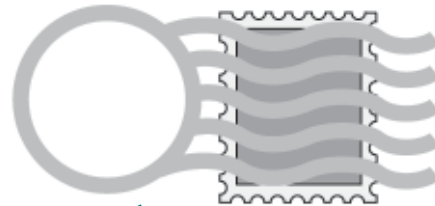
Put safety first at your holiday office party

The office is often a place where employees and employers get together to celebrate the holiday season. In most cases it usually means lots of music, food and drinks. Send your employees a safe and sober message about parties and drinking.

You must use caution in the organizing of any company-sponsored event, particularly holiday parties.

Here are some tips for hosting a successful and safe holiday office gathering. Be up-front with your employees. Make sure they know your workplace substance abuse policy. Post this policy on bulletin boards, e-mail this policy to employees and most effective is putting a notice in with each employee's paycheck. Instruct bartenders to refrain from serving alcohol to anyone who appears to have had one too many. Also, provide alternate means of transportation. This could include free taxi rides or asking in advance for volunteers to be designated drivers. Ignoring the chance that some employees or guests may drive home "under the influence" is asking for trouble. The only way to avoid this is to not serve alcohol at the event and to inform your employees that they are not to bring their own to the get-together.

Hosting a holiday party is a great way to thank your employees for all their hard work over the past year. Celebrating responsibly means a happy holiday season for everyone.



Postal rates have gone up...again!

As you well know, the postage stamp cost rose from 34 cents to 37 cents in July. One way to combat the rising cost of postage is to correspond with us via e-mail. Call our office for our e-mail address and while you are talking to our representative, give them your e-mail address. It is one small way to fight the rising cost of postage.

Consider the long-term care option for ensuring your future



Business owners work hard to establish their company and achieve financial stability. However, planning for the future also needs to be addressed to ensure this stability continues.

One way to do that is to purchase long-term care insurance. And, businesses can write off a portion of the premium as a business expense.

According to the U.S. Department of Health and Human Services, nearly half of all persons age 65 and over are likely to spend some time in nursing home rehabilitation or a nursing home. And, if you are a woman, your chance of being in a nursing home is 50 percent greater than a man's. Approximately one in four people will remain in a nursing home for more than a year, and one in 10 will stay for longer than five years. LTC insurance policies cover the costs of home nursing care, assisted living facilities and other care centers due to illness, accident or simply because of age.

LTC is also a great way to protect family business assets. In this type of business, the younger family members may want the corporation to buy LTC protection for older family members who are big stockholders. Why? So their stock won't be endangered by potentially overwhelming LTC costs.

It is worth your while to know and understand the subject of long-term care insurance. Be sure to talk to us if you have any questions about it.

Preparing your business for the unthinkable

The best time to respond to a disaster is before it happens. Even if you think you're not in a potential disaster area, something like an oil tanker tipping over can prevent you and your employees from getting to work. Everyday problems such as power outages, brown-outs or surges can affect your daily business operations. And just because an area has never been damaged before, there is no guarantee that it will not happen tomorrow.

A small amount of time and money now may prevent damage and disruption of your business in the future. No business should be without a disaster plan. Ask yourself how a disaster could effect your employees, customers and workplace. Think how you would continue doing business if the area around your facility was closed or the streets were impassable.

Business interruption insurance may be the answer. With this type of coverage, you will be reimbursed for lost profits and the fixed expenses of your business.



Contact us about your current insurance coverage. Make it an annual procedure to review and update your policy. Remember most policies do not cover earthquake or flood damage. Special coverage is needed to provide protection for these. Also remember insurance on mortgaged property may only cover the lender, with nothing left over for you.

Call us today. We will review your policy and make sure you have all the necessary coverages needed to continue should you be hit by a disaster.

Certain relief for uncertain times



Although we know it's an uncertain world, we have seen things happen in the past decade that we never dreamed would happen. Catastrophes have occurred, realizing our worst fears and leaving us wondering if there was something we could have done to prepare for it.

It may be an appropriate time to consider what catastrophes your

business may face. In the event of legal liability to others, an uninsured or partially insured judgment could be one catastrophe you face. For example, a loss could result from a multi-vehicle accident, an offended employee, a dangerous product, a hazardous operation, a professional mistake or liability assumed in an agreement. Would you have primary insurance for such a loss (e.g., an auto policy, a general liability policy or employer's liability policy)? If you do, are the limits enough to cover today's judgments?

Notwithstanding the uncertain world you live in, you have access to an insurance product that can provide some certainty of protection against liability catastrophes. We call it an *umbrella policy* (or *excess liability policy*). An umbrella policy will add to the limits of your primary policies and provide primary coverage for some exposures not protected by your primary policies. By purchasing an umbrella policy, you are preparing now for potential catastrophes that may befall you in the future. Our agency can show you how to spend a little to save a lot. For information on umbrella policies, please give us a call.



Independent insurance agents—personal service, professional advice

Independent insurance agents are a cut above the competition. That's because we work for you, the insurance consumer. A professional agent will meet with you, listen to your insurance needs and look around for insurance products specifically tailored to your priorities.

One-company agents can't access the variety of products and services available to independent agents. Let us shop for you!

Independent agents offer you professional advice and personal, face-to-face service. We're here when you need us, and we're on your side. Call us today.

Protect your employees who work outdoors

Workers who must work outdoors have to deal with all different types of weather. Employees in industries such as construction and farming need to pay close attention to the weather and its effects on the body.

Working outside in winter

Hypothermia is the leading cause for concern if you work outside in the winter. This occurs when the body is unable to warm up and the natural defenses against cooling begin to fail. Hypothermia sets in when the body loses heat faster than it retains heat.

Some symptoms of hypothermia are uncontrollable shivering, rigid muscles and a weak pulse. It is important to treat hypothermia as quickly as possible. Remove wet clothing as soon as possible and replace with dry blankets or clothing. Drink warm beverages such as soup, avoiding alcohol and caffeine.



Staying cool in the summer

People who work outside need to be aware of life-threatening problems caused by the heat. Symptoms of heat disorders range from mild rashes to loss of consciousness. Dizziness, heat cramps and fainting are also signs of heat exhaustion and heat stroke. It is imperative to treat a person suffering from heat exhaustion or heat stroke as soon as possible. Drink cool water. Avoid alcohol or caffeinated drinks as

these can actually cause dehydration. Wear sunscreen.

The victims of heat stroke and hypothermia are unable to notice the symptoms. Their survival depends on their co-workers' ability to identify symptoms and to seek medical help.

As an employer, you are obligated to make sure your employees remain safe while on the job. The same holds true for your employees who work outdoors in all different types of weather.