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LOSS CONTROL-INTRODUCTION

Loss control is an essential part of risk management and deserves its full allotment of time and effort. Loss control, of course, is more than loss protection and prevention. It also involves controlling losses that have occurred, either to keep them from getting out-of-hand or to prevent them from generating other, similar claims.

The public has learned - primarily through the media - that by alleging injury, they may be able to procure substantial settlements. Consequently, this type of loss must be controlled.

An effective risk management program is dependent upon a fast early-warning alert system which operates with close liaison between property and regional managers and the firm charged with the responsibility of risk management.

Property managers and regional managers are the eyes, ears and legs of a risk management firm. It is the initial contact with an injured party or first-hand inspection of damage to a third party that sets the stage and character of the claim. Property managers are thoroughly familiar with the operation of a particular building and, as such, should know that when a claim occurs, immediate steps are to be taken to obtain information vital for the insurance underwriter to properly protect and defend the managing agent and owner of a building.

Generally, the duty of a building owner/property manager is the same as that of any store or property owner. That is, a business invitee may expect that the premises will be maintained in a reasonably safe condition. In most States, this standard of care imposed on land occupiers varies according to the status of persons entering the premises.

With regard to trespassers, the occupier is only obligated to refrain from intentionally harming the person.

As respects a licensee, the occupier owes a duty to warn of concealed dangers known to exist, but he has no duty of inspection to gain this knowledge.

An invitee is one who enters the premises with the express or implied invitation of the occupier for the purposes of doing business with the occupier. It is to this person that the strongest duty of care is owed.

Therefore, the duty of a building owner and/or on-site property manager not only involves care that dangerous conditions, once discovered, are quickly remedied, but also that reasonable inspections be made to discover dangerous conditions that may exist through no fault of the owner or his agents.

Conversely, the building owner/manager can be held liable for a breach of this duty only, (1) if he or his employees created the dangerous conditions or (2) if actual or constructive knowledge of the condition can be shown.

There are various defenses to liability. Most frequently asserted are Assumption of Risk and Contributory Negligence. Assumption of Risk will defeat the claim if the claimant has voluntarily encountered a known and appreciated danger. Contributory negligence, on the other hand, bars the claimant's recovery because he has acted unreasonably.

These defenses would, however, be ineffective if the claimant is an infant. It may be appropriate to note, at this point, that a child accompanied by an adult invitee, is owed the same duty of care as is owed to the adult in spite of the fact that the infant is not there on business.

Property managers are representatives of owners and are fully responsible for any injury sustained because of a contract known as a Management Agreement. The effect of this arrangement causes the agent, as well as the owner, to be a viable defendant.

As you can readily see, there are many approaches to negligence that a plaintiff's attorney may use. It is, therefore, important to make yourself familiar with the property and its surroundings and to know the steps to follow when a claim, or potential claim, occurs.

We believe the following instructions and information pertaining to types of claims will be of interest and assistance to you.

NOTICE OF CLAIM AND REPORTING PROCEDURES
THE "INCIDENT REPORT" FORM

Notice of claim should be filed immediately with Risk Services Corp. on all claims as soon as you become aware of them. Do not attempt to judge whether or not insurance will apply; the report should be made irrespective of coverage.

For the purpose of reporting, we have designed an "Incident Report" form (see appended sample). This form is used for both Property (i.e. First Party) and Liability (i.e. Third Party) claims. It is used in conjunction with the Property Loss Notice or General Liability Notice, both of which are completed by our office from information gathered from the Incident Report.

We suggest that a supply of these forms always be kept where they can be reached easily. As an example, in an office building, a supply might be kept in the area of the security desk in the building lobby. Should there be an incident in that area, the forms will be readily available in order that all pertinent information can be obtained. In an apartment complex, the forms should be kept in the manager's office.

The original and one copy of the completed form - together with any supporting documentation you may have (an attorney's letter, police report, photographs, etc.) - should be submitted to us in order that the claim can be reported to the insurance carrier. One copy should be retained in your files. Our address is as follows:

Risk Services Corp.
One University Plaza, Suite 6
Hackensack, New Jersey 07601
201-487-8100 (OFFICE)
201-487-1610 (FAX)

On the following pages, you will find specific instructions on how to complete the Incident Report form as well as some notes concerning claims in general. Additionally, we have included information on various types of claims which we hope you will find informative and helpful.

If you have any questions regarding forms to be completed, procedures or verification of an adjuster, do not hesitate to call Peter Perciasepe or Janet Nagelhout at 201-487-8100 or you can fax us at 201-487-1610.

INSTRUCTIONS FOR COMPLETION OF THE INCIDENT REPORT FORM

1. Under no circumstances is this form to be completed by the person making claim (the "claimant"). It was designed and intended to be utilized by the on-site or regional property manager and/or owner.
2. The "Date/Day/Time" section at the top of the form should be the date, etc. of the occurrence, not the date the report was completed.
3. The "Where" section should contain the property name and complete address.
4. The "Specific Area" section should be the exact location (suite #, elevator #, etc.) where the accident/incident occurred.
5. The "Person Reporting" and "Phone No." should be the name and phone number of the building/apartment/mall manager and/or the person in the manager's office who is reporting the incident.
6. The "Injured" section covers all information pertaining to the claimant, i.e. the person, or firm, making the claim for personal injury/damage to property/theft, etc. The information in this section is important and every effort should be made to provide as much information as possible. For example, the name, address and phone number of the claimant's employer should be determined; if the person is not a tenant, determine why this person was on the premises.
7. The "Witnesses" and "Emergency Units" sections should be completed with all available information, where applicable.
8. The "Incident" section should be completed with as much information as is available, including how you became aware of the occurrence, whether or not there was evidence of forced entry (claims for missing/stolen property), whether what the person was wearing or carrying, etc. may have contributed to an injury (slip and fall claims); where applicable, security and/or police reports should be attached and any peculiarities should be noted. Additionally, the person should be referred to as the "claimant" or "complainant" not as "the victim".

INCIDENT REPORT

(THIS FORM MUST BE TYPED)

(REPORT IMMEDIATELY)

WHEN DATE: _____ 19____ DAY: _____ TIME: _____

WHERE DIVISION (TEMC, TMMC, TWMC, ETC.) _____

ADDRESS OF BLDG _____

SPECIFIC AREA OF INCIDENT _____

PERSON REPORTING _____ PHONE NO _____

INJURED FULL NAME _____ SEX _____ AGE _____ DOB _____

FULL ADDRESS _____

EMPLOYER _____ ADDRESS _____

HOME PHONE _____ BUSINESS PHONE _____

OCCUPATION OR POSITION _____

ACTIONS PRIOR TO INCIDENT _____

WITNESSES NAME _____ ADDRESS _____ PHONE NO. _____

INCIDENT: RECONSTRUCT DETAILS OF OCCURRENCE. USE BLANK SHEET IF MORE SPACE IS REQUIRED.

INCIDENT INVESTIGATED, YES NO REMARKS: _____

EMERGENCY POLICE, FIRE, AMBULANCE OR OTHER UNITS

POLICE NAME _____ SHIELD # _____ PCT. _____

CASE NUMBER _____

FIRE UNIT(S) _____ OFFICER IN CHARGE _____

AMBULANCE NAME OF AMBULANCE _____ HOSPITAL _____

ADMISSION NO. _____ DOCTOR _____

OTHER _____

IMPORTANT NOTES CONCERNING CLAIMS

- A. In the event of a serious claim, whether it be first party or third party, notice by telephone should be made to:
- Peter Perciasepe or Janet Nagelhout at Risk Services Corp., 201-487-8100 or by fax 201-487-1610.
- B. It is of the utmost importance that you determine who the insurance adjuster is representing. That is, is he the adjuster for your insurance carrier or is he representing someone else's carrier? If you have any doubts at all as to who is contacting you, call our office immediately so that we can verify who the adjuster is. It is our strong suggestion that you maintain a record of contact made by any insurance adjuster with your office relating to both first and third party claims. Note should be made of the date, time, name of the adjuster, name of the claimant (or tenant) and what was discussed. Copies of any signed statements taken by the adjuster should be forwarded to this office. We feel it is necessary to bring your attention to this since, on rare occasions, an adjuster has been known to misrepresent himself.
- C. Employees should be advised not to discuss a claim with anyone until instructed to do so by the adjuster and/or attorney.
- D. Make no statements admitting liability, or authorizing medical treatment.
- E. If possible, attempt to keep the scene of an accident intact until the adjuster's arrival. It is an extremely good idea to take photographs of the area involved.
- F. If a machine or an object could be responsible for the accident, preserve it in a safe place until it can be examined by the insurance adjuster.

TYPES OF CLAIMS

WATER DAMAGE

We ask that you keep in mind the term, "constructive notice". Negligence implies notice. Liability does not attach unless the dangerous condition was known or, with the exercise of due care, ought to have been known. Knowledge of a condition by an employee (in the course of his employment) may be, and usually is, notice to his employer. Constructive notice of a dangerous condition does not depend upon reasonable foreseeability. If there is a duty to inspect or to discover, that duty must be fulfilled, regardless of the cause or the source of the trouble.

Negligence may be shown in the omission to properly inspect, such as deterioration of roofing, seepage of water around window casings, etc. The claimant must show that the landlord was negligent, but also that such negligence was the proximate cause of the occurrence. In many instances, a pipe encased in a wall breaks and causes water damage to the building and tenants' property. In this situation, it is impossible to have constructive notice before the break. However, if a tenant reports a wet condition along a wall and the landlord does not take prudent steps to correct the condition, this may demonstrate negligence on the part of the landlord/managing agent.

A building or resident manager probably knows a particular building better than anyone. They know how it responds in heavy rains, windstorms, the condition of the plumbing, condition of the electrical systems, etc. In all cases of water damage, knowing the cause and taking preventive measures can properly protect the liability exposure.

A landlord and/or managing agent who fails to repair a roof after due notice is liable for damage to tenants' property resulting from leakage. The mere fact of a leakage establishes no wrong against the landlord/agent, but the tenant is bound to go further and establish that the leakage was caused by some negligence on the part of the landlord/agent. However, the tenant who fails to prove that a leak was caused by any negligence of the landlord/agent cannot recover from the landlord/agent for water damage.

When a tenant knows that the roof is in a leaky condition but, nevertheless, leaves his property unprotected, he takes the risk of injury/damage upon himself. This is referred to as "assumption of risk".

In overflow of sinks and toilets, a claimant who sustained damage where the occupancy is in his exclusive possession, cannot recover unless he shows that the landlord/agent caused the overflow. On a multi-tenanted floor, this same theory of liability applies.

The following check-list should be referred to on all (Third Party) Property Damage claims:

1. Generally inspect the scene of the claim.
2. Make sketch diagrams of the damaged area.
3. Take photographs of the damaged scene.
4. Take photographs of the actual damage.
5. Try to obtain claimant's (third party's) statement as to how the accident occurred.
6. Advise claimant to obtain estimates for cost of repairs.
7. Advise claimant that they have a duty to protect their property.
8. Obtain police reports or other relevant reports, if applicable.
9. Investigate to determine exact cause of accident.
10. Advise tenant to report claim to their own insurance carrier.

SLIP AND FALL - OUTSIDE THE BUILDING

The landlord/agent may be held liable for the existence of conditions on his property which adjoins the highway if such conditions are dangerous or apt to cause injuries to a passerby:

Defective sidewalk/curbing - Where there are holes in the sidewalk, the question of the width, depth and length of the hole is generally determinative of the question of negligence. It has been held, however, that there is no rule that a hole in the public thoroughfare must, under all circumstances, be of a particular size or depth before its existence can give rise to legal liability. The question is whether, under all the circumstances, the sidewalk was in a reasonably safe condition. Before a landlord/agent can be held liable for the existence of a hole in a sidewalk, there must be competent proof to show that he was responsible for its existence.

Where the complaint is based upon the existence of an uneven condition of the sidewalk, the proof must show, as in hole cases, that a dangerous condition, in effect, exists upon the sidewalk. It may well be that the defect, where the sidewalk is uneven, is so slight that it could not, in any stretch of the imagination, constitute a dangerous defect or entrapment. However, did the landlord/agent have knowledge of this condition and did he take preventive measures to correct same?

On "slip and fall" claims, the following should be used as a general guide in determining the facts surrounding the occurrence:

1. Composition of the surface (rough or smooth).
2. Naturally, weather conditions have an effect on the surface of the ground. It then follows that determination should be made if a slippery condition does, in fact, exist when the surface of the area is wet.
3. Was there an accumulation of rain/snow/ice on the surface?
4. Was the surface uniform or irregular?
5. What type of shoes was the claimant wearing? (Leather or rubber soles, height of heel, etc.).

6. Was the claimant carrying anything (packages, umbrella, etc.)? Attempt to determine size of packages, how they were being carried, etc.
7. Attempt to determine where claimant was looking - were there distractions in the area, traffic, etc.
8. Does the claimant have any impairment of vision; wear glasses; wear contact lenses.
9. Attempt to determine obvious physical condition of claimant. Was there any indication of alcohol/drug/medication use.
10. Attempt to determine obvious emotional condition of claimant (obvious anger, sorrow, worry, fatigue, etc.).
11. Determine physical defects, if any (artificial limbs; use of a cane; special shoes or equipment, etc.).
12. Determine how often claimant takes this route; when did claimant last pass this way (to establish whether or not claimant is familiar with route).
13. Were there any witnesses to the incident?
14. Photographs should be taken of the area where the injury occurred.
15. Obtain a complete address and the telephone number of the claimant and witnesses.
16. Obtain claimant's employer's name, address and telephone number.
17. To the best of your ability, determine nature and extent of the claimant's injuries.
18. Note any first-aid received; if an ambulance was called; name and address of hospital, if applicable.

SLIP AND FALL - INSIDE THE BUILDING

Claims involving slip and fall within the perimeter of the building are basically handled in the same manner as slip and fall claims outside the building. The area of difference is the peril involved which caused the accident.

In determining the manner in which you are to properly report an occurrence, refer to the check-list previously stated, as many of those items would apply to this type of situation as well.

In addition, the following should also be determined:

1. The exact location of the alleged accident, i.e. lobby, entrance doors, by an elevator, in a parking garage, in a tenant's space, at fire/emergency exits, etc.
2. Was the floor wet? If so, give the name of the cleaning contractor and person who was actually cleaning the floor. Were "Wet Floor" signs displayed? Was something spilled on the floor? If so, attempt to determine exactly what the substance was.
3. Was the floor waxed? When and by whom?
4. Were there any construction activities going on in the area where the alleged accident occurred? If so, describe the nature of those activities and the name and address of the contractor. Were any "Warning" signs displayed?
5. When an accident occurs in a building, describe the surface, i.e. carpet, tile, marble, etc.
6. Describe, as best possible, the lighting in the area.
7. Determine what, if any, object was involved. Did the claimant trip over a wire, floor mat, etc.

SLIP & FALL IN & OUTSIDE BLDG. DUE TO CONSTRUCTION ACTIVITIES

Injuries sustained because of construction activities are normally handled in the same investigative manner and are reported similar to other slip and fall claims.

There are, however, areas which we must familiarize ourselves with when we speak of injuries relating to construction activities. Construction activities are generally performed by independent contractors. The general rule is that a landlord is not liable for the negligence of an independent contractor unless danger is inherent in the work. This means that the landlord is not liable where the danger arises merely because of negligence of the independent contractor or his employees which is collateral to the work and which is not reasonably to be expected, but that he is liable where, from the nature of the work, danger is readily foreseeable.

There are, however, exceptions to the general rule where a landlord is responsible for negligence of a contractor and they are as follows:

1. Landlord may be held liable to a claimant where he has failed to use care in selecting a competent contractor.
2. Where the landlord directs the details of the work to the extent that the contractor loses his independent status and becomes, in effect, an employee.
3. Where the landlord assumes the direction over a specific phase of the work to be done in such a manner as to render him liable for any injury from the performance of that phase of the work.
4. When the work contracted for, even if properly done, must necessarily create a dangerous condition or an unreasonable interference with the public thoroughfare.
5. Where the independent contractor has created a dangerous condition and the landlord has knowledge thereof, but fails to correct the condition.
6. When the work contracted to be done is illegal or a nuisance.
7. When the landlord is under a statutory duty to make repairs and the end result of the work to be done by the independent contractor is faulty.

In addition to the facts surrounding an injury concerning construction activities (and in addition to the previously stated check-lists), the following should be used as a check-list in determining the facts of the accident:

1. Name, address, age, social security number and marital status of the injured party.
2. Name of injured party's employer.
3. Determine if the injured party is employed by the general contractor or a sub-contractor. If employed by the sub-contractor, determine who the general contractor is.
4. Determine injured party's specific trade.
5. Date, time and day of the week when the accident occurred.
6. Describe exactly what the injured party was doing at the time of accident.
7. Nature and extent of injury.
8. Name, address and telephone number of any witness to the accident.
9. If possible to do so, take photographs of scene of accident.
10. What safety devices and/or precautions were taken by the general contractor or sub-contractor to prevent injury?
11. Was injured party wearing protective garment and/or equipment?
12. Was use of alcohol/drugs/medication, etc. evident or noted when accident occurred?
13. What precautions were taken by contractor/sub-contractor to prevent injury to a passer-by? For example, were "Wet Floor" signs displayed; was there a covered walkway, barricades, etc.
14. Was injured party given first aid, taken to doctor and/or hospital, etc.? Was an ambulance called? If so, give name of emergency service used; physician's name; name of hospital.
15. Was a Certificate of Insurance provided by the contractor and sub-contractors.

ELEVATOR RELATED INJURIES

Elevator related injuries are a common occurrence in all buildings. It is for this reason that we must pay particular attention to this type of injury as it relates, generally, to the maintenance of the elevators. The property manager should be thoroughly familiar with -and have in his possession - the elevator maintenance contract for his building.

There are areas of the contract which we should pay particular attention to. As an example, many elevator maintenance contracts contain the following verbiage:

" The service company will not assume any liability on account of accidents to persons or property except those directly due to the negligent acts of the service company or its employees and that the purchaser's (owner or managing agent) own responsibility for accidents to persons or property while riding on or being on or about the aforesaid equipment referred to, is in no way affected by this agreement. The service company shall not be held responsible or liable for any loss, damage, detention, or delay caused by accidents, strikes, lock-outs, fire, flood, acts of civil or military authorities, or by insurrection or riot, or by any other cause which is unavoidable or beyond its control, or in any event for consequential damages."

The elevator service contract may or may not contain the aforementioned provision. If a provision is contained in the contract similar to the one above, the service company can only be held responsible for their negligent acts. We would be hard-pressed to prove that the service company was negligent unless it can be demonstrated, by keeping accurate records of work performance, logs and the type of work being performed on every elevator car. Owner/manager should require from the elevator service company a type of inspection report of all mechanical equipment and its condition. With these records available, it would assist the liability insurance carrier in the investigation of any injury relating to elevators.

When an injury occurs relating to an elevator, many of the check-list items previously mentioned would apply. However, one factor that should be always kept in mind is the aspect of contributory negligence of an injured party. A number of accidents now on record indicate that the claimant did something which the ordinary prudent person would not do which contributed to the injury.

Since the majority of claims relate to contributory negligence, we should always determine what the claimant was doing - or in the process of doing - at the time of injury. Example: In many instances, the elevator doors are in the process of closing and the subject person, rushing to catch the elevator, places his hand on the release mechanism of the door to make the doors open again to, thereby, enter the elevator. Some release mechanisms will function properly and some will not, depending upon the distance and position as it relates to the full closing of the doors. However, the prudent person would not place his hand - or foot - or body - between closing elevator doors.

When injuries occur, the elevator service company should be immediately placed on notice of the accident with instructions to place their liability insurance carrier on notice. NOTICE TO THE SERVICE COMPANY MUST BE IN WRITING WITH A REQUEST THAT IT BE ACKNOWLEDGED. A copy of that letter should be included with the Incident Report form for submission to our carrier.

PROPERTY DAMAGE CAUSED BY CONTRACTORS

Damage to property caused by contractors is a common occurrence, both to landlord's property and to tenant's property.

When damage does occur, the following should be determined:

1. Who employed the contractor?
2. Copy of the agreement/contract between contractor and landlord, or agent, or tenant should be obtained.
3. Particular attention should be addressed to the provisions of the agreement relating to contractor's insurance coverage, and Hold Harmless and Indemnification clauses.
4. Ascertain whether or not Certificate's of Insurance have been obtained from the contractor evidencing their liability coverage. (NOTE: PROPERTY MANAGER SHOULD ALWAYS INSIST ON A CERTIFICATE OF INSURANCE FROM ANY CONTRACTOR PRIOR TO THEIR BEING ALLOWED TO PERFORM ANY TYPE OF WORK ON THE PROPERTY).
5. Place contractor and his insurance carrier on notice of claim, requesting that they acknowledge same. (This notice must be in writing).
6. Copy of the aforementioned letter and Certificate of Insurance should be attached to the Incident Report being submitted to our office and, in turn, to the insurance company.
7. Determine what, if any, safety precautions were taken by the contractor to avoid damage to property.
8. Inspection of construction activities should be made by building manager to ascertain any serious hazardous situations. These conditions must be reported, in writing, to the contractor in the event an accident occurs. This will assist in the protection of our liability exposure.
9. When an accident does occur, photograph the area of the accident and the actual damage.
10. Be sure to determine what caused the accident/damage.
11. Determine what trade was involved or directly related to the cause of accident.

12. Ascertain if damage was caused by sub-contractor and, if so, employed by whom?
13. Determine the extent of repairs to landlord's property and tenant's property.
14. Damages to landlord's property and tenant's property should be recorded separately.
15. Estimates of repair for damage to landlord's property should be obtained and submitted to Risk Services Corp. for submission to the contractor's liability carrier.
16. The tenant should be apprised, in writing, to obtain repair estimates for submission to their own insurance carrier and the contractor's insurance carrier. Copies of same should also be sent to our office.

NOTE: Where Property coverage is placed by Risk Services for the location involved, should damages to owner's property exceed the Property policy deductible, those repair estimates and/or bills should be submitted to our office together with the Incident Report form in order that it can be transmitted to the property insurance carrier.

PHYSICAL ASSAULT

A. Rape

Rape is an assault on a person with intent to do bodily harm and is a violation of one's personal privacy. As a property owner/manager, when confronted with this type of crime, it should be handled promptly, professionally and with tact and discretion. In a situation such as this, it is extremely important to keep in mind the emotional state of the person who was attacked.

B. Armed Robbery

Armed robbery is potentially the most violent crime against businesses. Robbery consists of thefts in the presence of victims through the use of threat or force. Robbers are normally interested in obtaining cash or merchandise with a high value-to-weight ratio because the situation requires a quick exit from the scene. Experience has taught us that, in this type of situation, it is far better to appear to cooperate with the robber than to be a "hero". At the same time, those present at a robbery should be as observant as possible of the robber's appearance, mannerisms, height, weight, race, type and color of apparel, approximate age, distinguishing marks, voice, accent, and should record those mental facts which they have observed in order that a proper description can be given to the authorities.

C. Fights Involving Personnel And Third Parties

Fights involving personnel and third parties should be handled tactfully with an attempt made to avoid altercation, if possible. Good judgement and common sense should prevail in informing the authorities immediately.

=====

The following check-list should be utilized in obtaining information concerning all assault cases:

1. Name of person assaulted, address and telephone number.
2. Name of that person's employer.
3. Exact date, time and place of assault.
4. Police department to whom incident was reported.

5. Names and addresses of witnesses.
6. Obtain (from the person assaulted) a description of the attacker.
7. Ascertain the extent of physical injuries.
8. Was first aid administered?
9. Was injured party transported to a hospital? By whom? If so, give name of hospital and attending physician.
10. Determine items taken, i.e. jewelry, cash, etc.
11. Determine what means of access was used to gain entry to the premises. Was the robbery by forced entry or a "walk-in"?
12. Did anyone have knowledge or become suspicious of the intruder on the premises, and was any action taken?
13. Is there an alarm system on the premises and was it sounded?
14. Try to determine what the robber was after; large amounts of cash, securities, jewelry, etc.
15. Obtain a copy of the police department report.

As the above information becomes available, it should be submitted to Risk Services Corp. for transmittal to the insurance carrier.

BURGLARY

Burglary is the breaking and entering into a premises with the intent to commit a felony. It is also illegal entry into a premises with the intent to steal.

Complete awareness should be focused on means of access to the premises by burglars. An ingenious burglar has at his command many avenues of entry and it is the non-professional who normally makes his presence known because of his amateur methods.

Openings such as windows, ventilation and air-conditioning ducts, show windows, skylights and emergency exits are all means of easy access. We have found, however, that most burglars gain access by walking right through the front door! This has occurred at all hours of the day--before, during and after business hours.

The most effective way to control crime-related losses is to establish a well thought out crime prevention program, managed by a competent director of security with full support of top management. This director of security is an arm of risk management and, as such, should report any security problems encountered which may give rise to liability exposure. The director of security should concentrate on offensive techniques rather than reacting to a crime and catching the thieves. He will find and plug security loopholes and uncover those practices before they can develop into major security problems. Methods should be devised; plans and procedures should be implemented when needed. Crime prevention should be a major component of a security program, since the apprehension and prosecution of employees' or outsiders is expensive and time-consuming. The security director would also be responsible for devising a method with which to challenge any person in the removal of packages, equipment or office equipment from a building.

The four major areas of a crime prevention program are (1) management, (2) cooperation, (3) hiring and training and (4) prosecution.

Security is a management function and with the cooperation of all employees, should educate the various levels of management in the techniques of all crime-related losses. Therefore, the anti-crime training of employees should take two directions. First, all personnel from executive level to maintenance workers should be educated as to how they can make a conscious effort to reduce crime-related losses. Second, a sense of honesty and loyalty to the employer should be instilled in the employees.

The following should be used as a check-list to determine facts surrounding a burglary:

1. Determine point of entry.
2. Were there any visible signs of forced entry?
3. Was there evidence of broken or defective door locks?
4. Give complete description and identification of items taken.
5. If tenant, give name of tenant, floor and exact location where burglary took place.
6. Name, address and telephone number of person(s) who discovered burglary.
7. Estimated value of items taken (or cash amount).
8. Were the police notified? If so, name of police department involved and the name of the police officer or detective involved.
9. To your knowledge, was the burglar apprehended? If so, describe circumstances.