

Press Release

Fireman's Fund Provides Tips for Commercial Property Owners on How to Reduce Liability for Vacant Properties

NOVATO, Calif., (May 20, 2009) – As property vacancies continue to rise across the U.S. due to a weakening economy, Fireman's Fund Insurance Company is providing commercial property owners with important tips to help reduce their liability and risk.

"Vacant buildings are frequent targets for arson and vandalism, therefore it's important for building owners to be vigilant about monitoring and securing them," said David Cohen, senior director of real estate, Commercial insurance at Fireman's Fund. "With rising vacancy rates and a weak economy, there are increased risks for vacant real estate. Property owners can adopt best practices to reduce their risk."

Outlined below is a checklist for vacant buildings to help mitigate potential liability exposures:

- **Keep sprinkler systems in operation.** Conduct weekly recorded inspections of sprinkler control valves, fire extinguishers, and other fire protection equipment. Test all fire protection system alarms quarterly to ensure they are still operative.
- **Strengthen security to prevent arson and vandalism.** Notify both the police and fire departments that the building will be idle, and retain a central station to monitor water-flow and security alarms. Increase watch service, increase exterior lighting, and provide additional locks for gates, doors and windows. Make frequent and unscheduled rounds.
- **Avoid freeze-ups.** Operate boilers to provide heat and/or steam to prevent freezing of fire protection equipment (water supply tanks, sprinklers, sprinkler piping, etc). Convert sprinkler systems to dry-pipe systems if building heat is not provided or convert to nonfreeze systems for small unheated areas
- **A minimum of one recorded visit per week to inspect all areas of the building should be made.** The visit should include checks of general conditions, to ensure that important buildings are secured, and to ensure that all fire protection and detection systems are maintained in working order.
- **Remove unnecessary combustibles.** Eliminate fire hazards within buildings by removing as many combustibles as possible. Remove any debris or other combustible items within 25 feet of any building. Keep grass cut short, ideally three inches or less.

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- **Mitigate exposures from hazardous operations, in particular those involving flammable liquids, and turn off electrical equipment.** Secure any utilities that aren't going to be kept in service. Make sure flammable liquid tanks are drained and secured (by removing them or filling them with sand or concrete).
- **Review insurance policy.** It's important to notify your insurance company and review the policy to ensure compliance with a vacant property.

For additional information and tips, visit www.firemansfund.com.

About Fireman's Fund®

Fireman's Fund Insurance Company is a premier property and casualty insurance company providing personal and commercial insurance products nationwide. It is rated 'AA-' by Standard & Poor's Rating Services. Fireman's Fund is a member of the Allianz Group (NYSE: AZ), one of the world's largest providers of insurance and financial services. For additional information, visit www.firemansfund.com.

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Media Contact: Suzanne Meraz, Fireman's Fund, (415) 899-3647,
suzanne.meraz@ffic.com

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