



It's no secret Coronavirus has disrupted our economy and continues to impact many businesses around the nation as state and local governments mandate self-quarantining and the closure of all non-essential businesses. As such, impacted businesses are looking for relief, specifically looking to the insurance industry for guidance and support. Many insurance carriers are currently taking the position that they will be invoking applicable exclusions on the coverage forms and may deny coverage in their insurance policies. With many state and federal governmental bodies as well as current litigation cases are challenging that response. The insurance industry's final position will likely remain fluid in the foreseeable future; due to this it is critical for business owners, like you, to understand how this pandemic can impact your business and what you can do to potentially mitigate the damage.

We, at AssuredPartners, are committed to help you navigate even the most complex of issues and have put together the following general recommendations to help you through documenting a business interruption loss should coverage, or other reimbursements mechanisms ever be afforded. ***Please be advised that nothing conveyed in this message should be interpreted as existence of insurance coverage, or confirmation of any other specific financial recovery that may be available to any specific business. Our goal is to ensure our clients are best positioned to seek solutions IF they should be or become available.***

### **Analyze business income pre and post COVID-19 and keep a running timeline**

In order to seek recovery from the financial impact COVID-19 has had on your business, apply for small business loans, tax relief, etc. it is important that you prepare and maintain a timeline of your business income and any losses – this includes any losses, cancellations or loss of rent, project delays, employee layoffs, payroll allocations or loss of key employees, decrease in sales and/or demand for your product(s), cancelled events, negative customer reviews/complaints, etc.

### **Keep track of any extra expenses your business has incurred to continue operations**

In addition to maintaining a running timeline of your business income and revenue, it is equally important to document any extra expenses you/your business has incurred as a result of COVID-19. Extra expenses are defined as those necessary to avoid or minimize the suspension of business if you cannot continue operations. Any additional costs, related to the COVID-19 pandemic such as decontamination, amended business practices which increase expenses, etc. should also be documented.

### **Timely reporting is critical**

As an insured, you have a contractual obligation to report any losses or incidents that could give rise to a claim to your insurance carrier, as soon as possible. Every insurance policy requires the insured to provide the insurer with timely notice of an occurrence and each policy outlines when and how claims need to be reported. In addition to meeting your policy's conditions, there **are** also some potential benefits to prompt reporting, such as quick response time and/or payout times, preserves the accident scene and necessary evidence and allows for a thorough investigation while the facts are still fresh, ensures that legal requirements are met and minimizes litigation, and lastly, early intervention reduces the total cost of claims.

Please contact your AssuredPartners representative for more information on the above or with any other questions or concerns relating to COVID-19 and the impact to your business.

