



COVID-19 BUSINESS INTERRUPTION CLAIMS REPORTING PROCEDURES AND LOSS DOCUMENTATION

Triggering Business Interruption coverage by demonstrating a physical loss will be challenging. However, due to pending legislation in many states and at the federal level, declaratory judgments being filed, and the possibility of future class action suits, there is now external pressure causing enough uncertainty that we encourage you to consider filing a claim if you believe you have suffered a covered loss.

Due to the potential high volume of claims filing anticipated in the industry, direct filing with your carrier is recommended and easy.

Below is our general recommended claim reporting process, prepared in consultation with our strategic partners at SDV Law. This information does not, and is not intended to, constitute legal advice, nor is it a substitute for the contractual requirements of any individual policy. All content is for general informational purposes only. Please reach out to your dedicated CSDZ Client Claim Advocate if you have any questions anytime throughout this process.

RECOMMENDED CLAIM FILING PROCESS

1. Locate the name of your carrier and policy number. If you do not know who your carrier is and/or you do not know your policy number, please reach out to your CSDZ Client Claim Advocate.
2. Prepare and send an email to your carrier's claim reporting email address with a carbon copy to your CSDZ Client Claim Advocate.
 - a. Subject line of email should include the policy's First Named Insured and policy number.
3. Include the following statement and information in the body of the email.
 - a. **"Please consider this as notice of a claim under the above policy for business interruption/income losses resulting from the COVID-19 pandemic and losses related to government mandated shut down, lack of access and potential contamination of locations"**
 - b. Loss Locations - All locations or a list of locations that have been affected.
 - c. Insured contact and contact info (phone number and email address).
4. We will actively work with you throughout the process. In addition, we will document and track responses from the carriers. Please forward any response you may receive directly from the carrier to your CSDZ Client Claim Advocate.
5. After the claim is submitted, detailed documentation is necessary as a follow up. Below is a checklist of items that should be tracked and documented. Once completed, this needs to be submitted directly to the insurance carrier claim handler for processing.





BUSINESS INTERRUPTION CHECKLIST AND DOCUMENTATION

Maintain detailed documentation of the following:

- **WHO**
 - All parties involved, including points of contact and contact information, should be documented.
 - Every upstream and downstream relationship on the project should be noted.
 - Identify any experts you have engaged and submit any estimates or invoices.
- **WHAT**
 - Explain what happened with respect to the introduction or appearance of COVID-19 viral activity on your property or jobsite.
 - Key in on the damages to be claimed and how **property damage** factors into your loss; including loss of use due to property damage.
- **WHEN**
 - Key dates to include:
 - Project start date.
 - Project completion date.
 - Project slow down date.
 - Date of actual loss due to property damage.
 - 1st date viral impact was known to you.
- **WHERE**
 - Location(s) of loss (address, city, state).
- **WHY**
 - Explain the cause of your loss to include the following if applicable:
 - Property Damage and loss of use due to peril, and any associated decontamination efforts.
 - Civil Authority Directives – damages associated with governmental orders and provide corresponding dates.
 - Ingress / Egress – property damaged within quarantined and cordoned area.
 - Supply Chain Interruption – your supplier sustained a loss, affecting your operation.

DOCUMENTS

Please maintain specific documentation pertinent to the claim. Examples of these are noted below:

- Emails, letters, correspondence of any type that involves COVID-19 impacting your property or claimed losses.
- Document any known individuals that may have been inside the property that contracted COVID-19, as best you can.
- Obtain civil authority orders, local or otherwise of shut down and obtain copies of signed orders.
- Job Cost Tracking – track all hard costs associated with response to COVID-19, including:
 - Delays
 - Cancellations
 - Loss of key employees
 - Penalties





- Soft Costs — track all costs associated with delay, marketing, and other ancillary expenditures due to COVID-19, such as
 - Storage
 - Cleaning costs
 - Increased utility costs
- Contracts — all contract documents, including upstream and downstream.
- Log and track all impacts to employees and workforce—such as lay-offs, furloughs, RIFs, and those working remotely.
- Purchase Orders for supplies/materials affected due to COVID-19. Make note of any changes, particularly material cost increases.
- Photographs of property damage.
- Incident reports.
- Schedules.
- Gather and track financial records, including revenues year over year to show impact on loss of business.
 - Copies of income tax returns for the two years immediately preceding the date of impact.
 - Profit and loss statements for two years immediately preceding the date of loss.
 - Copies of leases for building and/or equipment.
 - Daily sales for the months of the preceding year which corresponds with the period of impact.

