



ARE YOU PREPARED FOR HURRICANE SEASON?

HURRICANE READINESS TIPS FOR COMMERCIAL PROPERTY POLICYHOLDERS

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TOP 5 TIPS WHEN FILING AN INSURANCE CLAIM

Hurricanes can have a devastating impact on businesses of all sizes. Employees' safety is at risk, assets are vulnerable, and business can be disrupted or even shut down entirely. Business owners and risk managers face the prospect of navigating complex property and business interruption insurance claims in the aftermath.

With the Atlantic Basin hurricane season (June 1 – November 30) underway, now is the time for companies to evaluate their disaster preparedness plans and ensure emergency communications to all stakeholders are in place and ready to be activated. Catastrophic events can have economic ramifications for years to come—and it pays to be prepared. BDO shares its top five tips for getting ready for disaster recovery and filing insurance claims.

DISASTER RESPONSE CHECKLIST



1. Communicate With Employees and External Stakeholders

Following the activation of an emergency preparedness program, it is critical to communicate with employees and business partners about their well-being, as everyone will be dealing with potentially significant, or even devastating, personal and professional issues.



2. Review Your Insurance Policy

Even if a business does not suffer physical damage, it may have coverage for business interruption losses. For example, if a business's customers or suppliers have been flooded and cannot receive the business's goods or services, the insurance policy may include what is referred to as "Contingent Time Element coverage." Non-physical damage coverage for business interruption losses can also include lack of access to facilities (road closures), government declarations of emergency, cancellation of events or loss of utilities, among others.



3. Maintain Contemporaneous Documentation

To say that the hours and days after a disaster are hectic is an understatement. This is a trying time for businesses as they try to rebuild and recover. However, keeping careful records even during this time of disruption is critical. Email traffic around current market conditions, cancellations of sales or suppliers/customers being impacted is critical to preserve as it is extremely valuable to a business interruption claim.



4. Get the Right Team On Your Side

A major property claim can take several months to resolve, and the complexity of the issues that may arise requires external experts to look out for a business's interests while management focuses on what is important—rebuilding and recovering.



5. Establish Priorities and Milestones for an Insurance Claim Recovery

Following a major catastrophe, resources are often stretched thin. It is important to identify priorities and create milestones, and to hold all members — from the adjusting team to internal stakeholders — accountable for achieving those goals.

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