

BUSINESS INTERRUPTION INSURANCE - WHAT DOES IT COVER?

Does your organization carry Business Interruption Insurance? If yes, you still need to understand what is and what is not covered. While it is critical to call your broker to discuss all coverage questions, here are some tips to make sure you are asking the right questions.

Business interruption insurance is generally intended to cover losses from direct interruptions to a company's operations, such as a fire, natural disaster or other event. Coverage may include lost revenues, rent, or utilities, among other things.

- The Insurance Services Office's policy form that is widely used by most small- and mid-sized standard commercial multiple-peril insurers specifies that the insurer ***"will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease."***
- But **coverage depends on the particular policy, and a policy review is worthwhile.** Not all insurance policies are equal in the coverage they provide. Coverage for COVID-19 related losses might depend on whether the policy provides business interruption coverage as a basic term of the policy, or as an endorsement. An endorsement will often provide broader coverage than the base policy because of the additional premium for the endorsement.

Ask your broker!

- ***Loss of Revenue***
- ***Event Cancellations***
- ***Cost of Cleaning***
- ***Financial penalties***
- ***Contractual penalties***
- ***Temporary staffing needs***
- ***Cost of emergency services***
- ***Technology Costs***
- ***Interest costs***

Keep all records and receipts, even if you are not covered, there may other public or private relief programs that can help you with these costs!

