



To Our Valued Clients,

Century Risk Advisors has been closely monitoring the COVID-19 Pandemic and realizes the stress and frustration of how to proceed in these times. The multitude of issues and concerns can be overwhelming as you attempt to plan and evaluate the impact this event is having upon your organization.

CRA has created a COVID-19 Pandemic Claim Reporting Protocol in order to assist our clients in the event a claim needs to be reported. The procedures will be updated as the situation develops. Our goal is to simplify the claims process and ensure a smooth experience. Please find below our "Procedures for Reporting Claims", a simplified walk-through of the claims reporting process.

CRA is here to stand with you through these unprecedented times and will continue to provide top in class services.

Due to the unprecedented events CRA is providing claim reporting instructions as guidance to ensure self-reported claims are submitted in the most practical manner. Please be aware that all claims should be reported promptly to avoid a late reporting coverage issue. You should not hesitate to report a claim over concerns of coverage or severity. This matter is ever evolving, and it may be best to allow the carrier to reach their own position instead of basing actions on assumptions of coverage or lacking coverage. If you have questions or need assistance reporting your claim, contact CRA's Claim Advocacy Team (CAT) at telephone number 561.409.2422 or email the team at Claims@Centuryra.com. Please also reach out to CAT if you are having difficulty with the handling of your claim.

How to Report a Claim:

General information collected in the initial steps, please have the following information available when placing your call:

- Name of Business or Your full name
- Accurate contact numbers and/or email address
- Policy Number
- Cause of loss or claim, with a description of the nature of the damages
- Date of Loss, date incident occurred, date of discovery, or date issue became known.



All claims follow the same general process, where the reported information is considered by the carrier against the policy to determine available coverage. Typically, there needs to be a coverage trigger, an event or occurrence defined within the policy that would then 'activate' the policy. Without this trigger, coverage would not be provided. Once coverage is triggered the next step is to ensure there are not any exclusions that would preclude coverage for the reported loss.

This is a new situation that is developing further and creating untested risks and claims. CRA believes there will be a slew of litigation regarding insurance carriers' positioning as this is a new event and conventional industry responses and positions have not been 'tested' with the current risk we are facing. It is recommended that any potential claims be reported timely, so that you can obtain your carrier's response and coverage analysis. This will allow CRA to provide the best advice possible on how to proceed further.

CRA's dedicated Claims Advocacy Team will work diligently to place our clients in the best position possible.

An essential key to any dispute with an insurance carrier is thorough documentation of the event and its ramifications. Collecting all this information after the fact is not recommended, instead you should create a file and keep copies of any claim related documents in order to best assist you in the dispute resolution.

Workers' Compensation

The typical coverage trigger for Workers' Compensation is an injury that, "arises out of and in the course of employment", or "where an employer places an employee in an 'increased risk' of contracting the disease. Therefore, it is possible to establish a work-related link when your work puts your risk above that of the average public. For example, an ER Hospital Nurse is at a higher risk of contracting COVID-19 than a clerical worker.

Claim/Incident Reporting

Workers' Compensation claims must continue to be reported directly to your carrier. Please be prepared to give detailed information on how the employee allegedly contracted the reported illness and how it correlates directly to the workplace or work duties. Also be prepared to provide:

- Immediate medical and other services required by the Workers' Compensation law.
- Give the insurer the names and addresses of the injured person(s) and witness(es).
- Promptly give the insurer all notices, demands and legal papers related to the injury, claim, proceeding or suit.
- Cooperate with the insurer and assist them, as they may request, in the investigation, settlement or defense of any claim, proceeding or suit.
- Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

General Liability

This policy form provides protection against claims of bodily injury or property damage that directly arise from a negligent act of the insured. To file a successful claim a third party would need to establish that the insured's negligence was the cause of their infection. It does seem that this would generally be an extremely difficult standard to overcome.

Claim/Incident Reporting

In the event of a potential claim, you must see to it that your insurer is notified as soon as practicable of an occurrence which may result in damages covered by the policy.

Please be prepared to provide the following information:

- How, when and where the occurrence took place.
- The names and addresses of any injured persons and witnesses.
- The nature and location of any injury or damage arising out of the occurrence.

In the event a notice of claim or a lawsuit is received, notification of the matter should be made to your carrier in order to avoid coverage issues regarding late notice and be able to provide the following:

- Immediately send copies of any demand, notices, summonses or legal papers received in connection with the claim or suit.
- Authorize the insurer to obtain records and other information.
- Cooperate with the insurer in the investigation, settlement or defense of the claim or suit.
- Assist the insurer, upon its request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.
- You may not except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the insurer's consent.

Professional Liability Forms: D&O, E&O, Cyber, EPL, EBL

Due to the complex nature of these claims CRA recommends that you notify us of a potential claim, and we will work together to have CRA present this claim on your behalf to help obtain the best possible outcome.

Reporting guidelines and coverage for these policies are slightly different than most, in that they are usually a claims made form, which provides coverage based upon when the claim is presented to the insured, not necessarily when the alleged act of negligence took place.



Directors & Officers

These policies do not provide coverage for claims directly for bodily injury or personal property. More so, the coverage exists to address claims that allege negligence on behalf of the company failed to disclose, or properly manage the risk of COVID-19, the claimants are typically shareholders in the company. Currently affected industries include travel, hospitality, and entertainment. However, this is subject to expansion depending on the length of this event and actions taken to stymie the spread of this infection.

Employment Practices Liability

Please be aware that EPL policies exclude coverage for bodily injury, however it is possible that the following allegations may trigger coverage:

- Discrimination based on:
 - race/national origin related to the spread and origin of the virus
 - disability, including retaliation claims for compromised individuals that request accommodations like remote working, limited/no travel, social distancing
- Discrimination/retaliation claims by employees that request an alternative working accommodation due to school or childcare facility closings
- Third-party exposures:
 - claims alleging harassment or discrimination of clients, vendors, or others due to race/national origin or those who have had recent travel
- Wage & Hour Claims: actions taken to recoup wages or other compensation owed to you by an employer due to non-payment or underpayment of wages for work done.

Professional Liability/Errors & Omissions

Most of the professional liability policies exclude claims arising out of bodily injury. There may be, however, a potential for coverage for professions within the healthcare industry since they have a special duty to protect public health.

Cyber/Privacy Liability

We would not expect there to be a direct relation to COVID-19 and Cyber claims. However, it is quite possible that there may be individuals looking to take advantage of the current chaos, particularly with financial hardships ahead of many. Additionally, many of the societal changes, such as working from home, may make some more vulnerable to cyber-crime attempts.

Claim/Incident Reporting

You must report notice of any suspicious network incident or breach as soon as possible and engage the insurer-approved vendors immediately.

For all other claims, you must give written notice of a claim or investigation made against an Insured as soon as practicable after an Insured learns of the claim or investigation, but in no event later than the termination of the Policy Period.



Please be prepared to give detailed information regarding what the claimant alleges caused their damage, including, but not limited to:

- Identity of claimant(s)
- Description of alleged wrongful act(s)
- Identity of Insureds allegedly involved
- The circumstance by which you first became aware of the claim(s)
- The alleged damages/loss amount

Commonly these policies contain a provision that requests, but does not obligate, that you provide the carrier with a notice of circumstances, when you are of the reasonable belief that current matters or issues have the potential to give rise to a future claim. If you have such concerns please contact CRA to discuss the matter further, and we may wish to discuss it with your counsel as well. The submission of such a notice may have an effect on the existing or future coverage.

Property/Business Interruption/Cargo Loss Notice

We anticipate both direct and indirect impacts to our clients from COVID-19, and we believe clients will be looking for relief via first party claims. The loss may be caused by a direct action, or indirect such as the disruption of your supply chain.

Generally, policies for property, business interruption, or cargo contain a coverage trigger requiring physical damage to your facility, or in the case of contingent business interruption, direct physical damage by a listed peril to your vendor's facility. Therefore, it is believed that coverage under these policies may be very difficult to obtain. There are additional perils such as actions by a civil authority, however these also often require an element of property damage. However, this is truly a new matter that has not been widely tested in real life, by the industry, or by the courts.

Please also be aware that varying policies have slightly varying wording where a single word could mean the difference between coverage existing and a claim being denied. Therefore, two policies could respond very differently to the same set of details.

In any event, documenting your loss is essential step in proving your claim. The following documents would assist in the presentation of a claim.

Claim/Incident Reporting

When reporting a Property, BI or Cargo claim, the following information is a starting point for supporting the claim. Information should be gathered early on as losses are being sustained.

- Give the insurer prompt notice of the loss or damage.
- Include a description of the property involved.
- Give the insurer as soon as possible a description of how, when and where the loss or damage occurred.
- Develop a detailed narrative outlining the loss.
- Provide details of impairments or direct damage at insured facilities.



- Provide details that outline any Civil Actions or Ingress/Egress issues prohibiting access to insured locations and impairing operations.
- Provide to the best of your ability any details/specifics impairing suppliers/receivers. It's recognized this can be very difficult (at best) to achieve.
- Provide details (including civil actions) that are disrupting the transit of materials, inventory, etc.
- Track all costs/losses in real time. If a claim is pursued, losses will have to be specifically reconciled and tied to the triggers noted in the previous bullets.

When investigating and preparing your Business Interruption claim:

- Record business interruption or extra expenses due solely to the loss.
- Record all expenses, such as:
 - Wages for employees involved in clean up or repair
 - Overtime paid for employees to fulfill orders that would have been completed during normal hours if not for the loss
 - Outside vendors involved in clean up, repair, etc.
 - Leasing of temporary space until your facility is repaired; leasing or purchase of any items necessary to continue operations.
- Record all expenses that you continue to incur, despite the necessary suspension of your operations.
- Record all wages for employees who were sent home, but still paid (may be covered for continued payroll).
- Document any business lost due to the necessary suspension of your operations, such as cancelled or refused orders.
- Complete financial records may be necessary to determine your lost income.