

What to do in the Event of a **Business Interruption Loss**

✔ **Inform us (as your Insurance Broker) or Insurer of the Loss**

It is important that the incident is reported to insurers as soon as possible to comply with the policy conditions. If the event is as a result of a major incident, they may already be aware of the loss but they do need to be advised that a business interruption loss has also occurred. They may also be able to provide immediate assistance such as arranging for Portakabins to be provided if you have lost your office space.

✔ **Record Keeping**

In order for you to accurately provide evidence of your loss, it may be a good idea to set up a separate cost code for any expenditure in relation to the business loss. This will ensure that none of the claimable expenditure is lost within normal business transactions.

✔ **Mitigate the Loss**

Whilst you may be insured for losses caused by an interruption to your business, it is expected that you will mitigate your loss as far as is practicably possible. You should therefore do whatever is necessary to get the business up and running as soon as possible. If spending money is required to reduce your Business Interruption claim, then this should be discussed with the Loss Adjuster dealing with your claim.

✔ **Involve your Accountants**

To accurately assess your loss, your insurers will require access to your accounting records. The loss will be calculated based on the same trading period as last year. However, they will also need to look at your accounts for the weeks leading up to the incident in case there are any trends (either upwards or downwards) that they would need to take into account when calculating the loss. If your business has seasonal trends this will also be taken into account.

✔ **Calculating the Loss**

The intention of the insurance policy is to put your business back in the financial position you would have been in if the event had not occurred. If therefore the event has brought you unintentional savings (such as less utility spend) then that saving will be deducted from the total of the claim.

Once the insurers have confirmed that their policy will apply then a request for an interim payment can be made to pay for those costs incurred immediately after the event.

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