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**Responding to Hurricane Harvey:  
A Checklist for Pursuing Corporate Insurance Claims**

By: [Ernest Martin, Jr.](#) and [Micah E. Skidmore](#)

In the days following Hurricane Harvey, tremendous attention has been appropriately placed on individual safety and rescue for the millions affected by the storm's devastating winds and catastrophic flooding. Now the immediate emphasis for many corporate policyholders has turned to the practical challenge of repairing damaged property and restoring business operations suspended by the storm. Here is a checklist for corporate insureds to use when pursuing claims for property damage or business interruption relating to Hurricane Harvey.

✓	<b>Manage your property/business operations and document your claim appropriately</b>
	<ul style="list-style-type: none"> <li>Act to reasonably protect and preserve property from loss or damage. Many first-party policies have so-called "sue and labor" clauses requiring the insured to mitigate covered loss or damage, with the associated cost of this mitigation payable by the insurer to the extent of its interest.</li> </ul>
	<ul style="list-style-type: none"> <li>Document the scope and nature of the damage to insured property, or, as appropriate, to the operations of the insured's business. This may include everything from taking photographs of damage to creating and preserving records of business operations and your efforts to continue or resume your business as soon as possible.</li> </ul>
	<ul style="list-style-type: none"> <li>Permit the insurer reasonable access to inspect and review the damaged property or records relevant to your claim.</li> </ul>
	<ul style="list-style-type: none"> <li>Act diligently in repairing damaged property and in restoring business operations interrupted by the storm. Let your insurer know before making significant repairs to (or other disposition of) covered property.</li> </ul>
	<ul style="list-style-type: none"> <li>Seek an advancement of funds for both property damage and business interruption, particularly when some substantial quantum of covered loss and damage is known. Policyholders should keep in close communication with insurance adjusters to ensure that appropriate advances are paid in a timely manner.</li> </ul>
	<ul style="list-style-type: none"> <li>In the event that third-parties are responsible for some portion of the insured's loss or damage, the insured must not compromise claims against such third-parties without the insurer's consent.</li> </ul>
✓	<b>Know your insurance policy</b>
	<ul style="list-style-type: none"> <li>Review your policy with your insurance broker, counsel or other insurance professional to understand what is covered, what is excluded and what obligations you have as a corporate policyholder.</li> </ul>
	<ul style="list-style-type: none"> <li>Commercial property and builders' risk policies may insure more than just the cost to rebuild or to replace damaged property or related income lost from business interruption. Your policy may provide specific</li> </ul>

	<p>coverage for</p> <ul style="list-style-type: none"> <li>- debris removal</li> <li>- code upgrade coverage (insuring the increased cost of complying with building codes governing repairs)</li> <li>- extra expense (insuring the increased cost incurred to maintain business operations)</li> <li>- expediting expense (insuring the extra cost incurred to perform temporary repairs quickly)</li> <li>- lost profits caused by damage to a dependent business, including a customer or supplier (contingent business income coverage)</li> <li>- lost profits caused by evacuation orders or other mandates from government authorities prohibiting access to insured premises (civil authority coverage)</li> <li>- lost profits caused by lack of incoming electricity, fuel, water or data/communications, as well as the lack of outgoing communications, sewer or other services (service interruption coverage).</li> </ul>
	<ul style="list-style-type: none"> <li>• Be familiar with the attendant limitations, such as deductibles (or waiting periods), and sublimits to take full advantage of available coverage.</li> </ul>
✓	<p><b>Comply with policy conditions regarding notice and proof of loss</b></p>
	<ul style="list-style-type: none"> <li>• Be aware of what events require notice to the insurer, what information needs to be submitted with your claim and what specific deadlines the policy includes for providing this information.</li> </ul>
	<ul style="list-style-type: none"> <li>• If you are unsure whether notice is appropriate or what information should be included with your notice, contact your insurer, your insurance broker, counsel or another insurance professional.</li> </ul>
	<ul style="list-style-type: none"> <li>• Many policies require not only “notice” to an insurer, but the submission of a formal proof of loss. For property damage claims, this submission will include details regarding the scope and value of the damage claimed by the insured.</li> </ul>
	<ul style="list-style-type: none"> <li>• For business interruption claims, the proof of loss will include the value of the lost income for which the insured is seeking payment. In complex claims, preparation of the proof of loss may take months of work and often requires the assistance of one or more professionals, including accountants, architects, auditors, engineers or others.</li> </ul>
	<ul style="list-style-type: none"> <li>• Check to see if your policy insures the cost of professional fees incurred by the insured to prepare and certify the details of an insured’s loss or damage.</li> </ul>
	<ul style="list-style-type: none"> <li>• Take note of the deadline to submit the proof of loss, as well as other deadlines imposed by your policy. In the event that such deadlines or other policy conditions cannot reasonably be met despite the insured’s reasonable diligence, the insured should obtain advance consent or other relief from the insurer, which should be documented in writing.</li> </ul>

	<ul style="list-style-type: none"> <li>Many policies will include contractual limitations periods requiring insureds to bring suit within a certain number of years from the date the insured discovered the loss. Note that under Texas law, a contract that purports to impose a limitations period that is less than two (2) years is void. See TEX. CIV. PRAC. &amp; REM. CODE § 16.070.</li> </ul>
✓	<b>Establish and follow a communications protocol with your insurer</b>
	<ul style="list-style-type: none"> <li>Establish and follow a clear communications protocol with the insurer regarding the claim.</li> </ul>
	<ul style="list-style-type: none"> <li>Communicate regularly with the insurer regarding the claims process, either directly or through an intermediary (broker or counsel).</li> </ul>
	<ul style="list-style-type: none"> <li>Identify one point of contact to communicate with the insurer, through whom all communications will be directed upon appropriate review by the necessary stakeholders.</li> </ul>
	<ul style="list-style-type: none"> <li>Determine from the insurer's adjuster exactly what the insurer's expectations are, including requests for information and the anticipated timing for fulfillment.</li> </ul>
	<ul style="list-style-type: none"> <li>Establish and document corresponding expectations regarding the anticipated schedule for receipt of insurer's position regarding coverage and any payments.</li> </ul>
	<ul style="list-style-type: none"> <li>Confirm all substantive communications from the insurer promptly and in writing, including (1) requests for information; and (2) positions regarding coverage.</li> </ul>
	<ul style="list-style-type: none"> <li>Respond to requests for information from the insurer on a timely basis and confirm receipt of the requested information in writing.</li> </ul>
	<ul style="list-style-type: none"> <li>Do not speculate regarding either the cause or amount of property damage or related business interruption loss in internal communications among the stakeholders responsible for managing the insurance claim.</li> </ul>
	<ul style="list-style-type: none"> <li>Keep attorney-client communications confidential. Any materials prepared in anticipation of litigation, including documents created on behalf of the insured by brokers, consultants or other agents, should be kept confidential.</li> </ul>