

Business Interruption Insurance Claims Related to COVID-19

The Birmingham law firm Wallace Jordan Ratliff & Brandt, LLC, in response to numerous client requests, is working with business clients to review insurance policies and file business interruption claims related to COVID-19.

In a time of unprecedented business interruption, it is important for insured businesses to understand their rights and how their policies work to provide coverage. This is a complex matter and most businesses are ill-equipped to address these issues in the current environment. Understanding and addressing issues related to microbe exclusions and the impact of government actions on business operations quickly compound and complicate coverage questions. Because many insurance policies contain strict notice requirements which must be met before coverage is triggered, businesses may have little time to provide notice to their insurers before they are time-barred from making these claims in the future.

The firm's wide-ranging experience in food law, regulatory compliance, insurance litigation, healthcare law, and municipal law, has allowed Wallace Jordan to rapidly develop a well thought out, well researched, and peer reviewed claims model. Eligible claimants would include many business-to-consumer companies, including but not limited to restaurants, taverns, theaters, hair salons, dental offices, and other similar businesses. Wallace Jordan has already begun filing business interruption claims and will continue its efforts to assist clients with these claims.

The following are several frequently asked questions:

- Q: *Am I insured against loss of revenues caused by the government-mandated shut downs in response to the COVID-19 pandemic?*
- A: You may be insured if you have a policy known as "business interruption" or "business income" insurance. An attorney will be able to review your insurance policies and confirm whether losses you are currently sustaining may be covered.
- Q: *If I have business interruption insurance, what do I need to do to receive compensation from my insurer for my current loss in revenue?*
- A: Most business interruption policies (and, indeed, most commercial insurance policies generally) have strict deadlines to give notice of incurred or expected damages. It is vital that you notify your insurer at the earliest opportunity that you have been or expect to be damaged by the current shut downs.

Q: *What do I need to include in my notice to my insurer?*

A: A competent notice can vary from insurer to insurer. It is important that this notice is carefully worded to meet the requirements set out in your particular policy. An attorney can help you review your policy and draft a notice that meets these requirements.

If you have any questions or would like to discuss a potential claim, please contact Wallace Jordan and we will be happy to assist you.



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