

HURRICANE PREPAREDNESS

MAXIMIZING YOUR CLAIM RECOVERY; PRE-LOSS STRATEGIES

A prompt, fair settlement of a first party property insurance claim primarily depends on two things; sufficient insurance coverage and sufficient documentation to establish the amount of the loss.

Coverage is fixed at the time of loss. Therefore, you should focus on the things you can influence or control, e.g. avoidance, mitigation and documentation as more fully described below, to enhance the final outcome after a claim is submitted.

It's especially important to do what you can "pre-loss" to be prepared to move forward quickly after a loss occurs, including discharge of your duties under the policy; see the next document in the series **AFTER THE STORM – MAXIMIZING YOUR CLAIM RECOVERY** for more on this issue.

Are you prepared to move forward in the optimal manner after a loss? The answers to the questions on page 2 may help you to determine your state of readiness. "No" answers are not the ideal and may indicate a "preparedness gap." We recommend taking action as follows to close the gap before a loss occurs.

Marsh & McLennan agency personnel are ready to assist you with pre-loss preparation. Please contact your Marsh & McLennan agency agent with any questions or concerns you may have. He or she will involve Marsh & McLennan agency risk and loss control advisors as needed to enhance your pre-loss state of readiness.



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ASK YOURSELF THESE QUESTIONS...

1. Avoiding a loss is the best strategy. Have you done everything you can do to avoid or minimize a loss, e.g. alarms, sprinklers, hurricane shutters or impact resistant glass, upgrading structures to meet the current building code?
2. Do your contracts include a clause that shields you from liability for damages if you are unable to perform your contractual obligations as a result of events or forces beyond your control?
3. Have you assigned internal responsibility for handling the claim with the insurer and communicating with corporate management, especially if multiple locations are involved?
4. Do you keep a list of relevant insurance policies and related information including:
 - Contact information for your Marsh & McLennan Agency agent
 - Insurer names, policy numbers, policy periods, deductibles and coverage limits
 - Instructions for contacting insurers directly if your MARSH & MCLENNAN AGENCY agent is unavailable

You should keep a copy of your completed list both on and off premises. In addition, provide your MARSH & MCLENNAN AGENCY agent with contact information for your key personnel.

5. Do you have contingency plans for securing essential services at your current location if services are disrupted? Will a generator be available? Can you obtain internet and phone service by satellite or other means? Have you secured access to fuel for your fleet?
6. Assuming you can't continue operating at your current location, have you made arrangements to operate at another location?
7. Have you identified equipment dealers or leasing companies who can provide necessary equipment to keep your business going in the short term and provide replacement equipment going forward?
8. Have you identified and made arrangements with local contractors, including restoration contractors, to begin cleanup, make temporary repairs, and salvage equipment and other property that can be saved? This could include "drying out" the premises to avoid mold, moving salvageable property to another location, and separating out property that is a total loss.
9. Do you maintain a continuously updated inventory of all your business personal property, including documentation [receipts, photos, video records] to prove the existence of the property?
10. Have you identified the best sources for replacement of your business personal property?
11. Do you back up data, including business and accounting records, regularly and maintain the back up data in a secure offsite location?