



intermarket

INSURANCE AGENCY

Coronavirus COVID-19

Dear Intermarket Clients,

We want to thank you for your patience during this very challenging situation and provide you with an update on our inquiries to our carries and the reaction to the COVID-19 health emergency. The Intermarket Leadership Team is closely monitoring the status of the outbreak and its potential adverse impact on the insurance industry.

Many of our clients have reached out regarding the impact of the virus to their business and what, if any coverage would react in the event of a shutdown to their business, employees coming ill during business travel and BI related to closures, either elected or mandatory.

Q: Is there any coverage in my policy that would react for Business Interruption (BI) in the event we need to close down.

A: Unfortunately no. The virus under a liability policy is treated no differently than the flu or any other communicable disease. There is either a specific exclusion or there is simply no coverage.

Q: What if I am forced to shut down under the direction of local, state or federal government?

A: No, in a case of civil authority shutdown, BI Coverage is triggered if a police, fire department or other civil authority prevents the insured from accessing their scheduled premises. The order must result from damage by a **covered cause of loss to property** within a specified radius of the scheduled premises. Additionally, the action of the civil authority must be in response to a dangerous condition resulting from a covered cause of loss. Example: catastrophic event, hurricane, wildfire, flood.

Q: If schools choose or are forced to close would this qualified as a covered loss for my business?

A: No, the decision to close the school is isolated to that district. Carrier will only provide coverage due to a covered cause of loss under the policy language.

Q: Does Works Compensation cover an employee who is infected with the virus?

A: No, Workers Compensation provides coverage for an employee that is injured while on the job.