



Claims Best Practices After a Catastrophe

Planning for a catastrophic loss before it happens can make a critical difference in successfully resuming operations and recovering financial losses after an event. Significant losses from damage to your property, delays in repairing your operations, and business interruption losses that impact financial results can be mitigated when an organization is prepared. This includes embedding the insurance claims recovery process in the plan. **Imperium can help.**

Imperium's team of experts help organizations prepare in advance and activate a loss recovery plan should the need arise. In an effort to help our clients with strategic planning, we have prepared the following claim best practices to help.

Catastrophe Preparedness Guidelines

These steps should be considered when a loss event such as a hurricane is anticipated, or as soon as practical following a sudden event:

- » Review and update your loss recovery plan (the plan should be reviewed at least once or twice a year notwithstanding an imminent event).
- » Identify and review all relevant insurance policies, including limits, coverages, notice requirements, proof of loss requirements, among other areas.
- » Review business continuity plans and key organizational contacts. Review the staffing roster for the Loss Recovery Team (internal and external risk management, accounting, operations, legal, facilities, consulting and other advisors identified to specifically respond to a loss). Ensure all response roles are filled by active colleagues.
- » Notify the Loss Recovery Team members to anticipate activation and to be prepared to assess the overall organizational impacts, including: property damage, repair and loss mitigation needs, staffing, and business interruption. A Team Leader should be appointed to serve as the liaison between organizational functions, such as: risk management/insurance, financial, legal, operations, facilities, security, information technology, and outside advisors/consultants, among other relevant departments.

- » Safeguard important financial records either by removing them from the site, saving to an offsite storage location, or cloud based platform.
- » Take steps to protect and secure physical assets, property and equipment.
- » Update inventory lists, asset registers, and stored materials logs to ensure currency.
- » Set up dedicated loss recovery cost accounts to track all costs related to the preparation of the event. Ensure appropriate operations and accounting personnel have instructions regarding approval and documentation protocols regarding loss-related expenses.
- » Keep detailed records of employee labor and expenses related to safeguarding, protection and general preparation for the event. Document the hours worked by task, track straight time and premium time distinctly, and include a description of the work performed.
- » If possible, take pre-event video and/ or pictures of property and equipment, inside and outside. For active capital projects, major maintenance, and other construction, document the status of work completed just prior to the event in terms of cost incurred and progress achieved against a completion schedule.
- » As appropriate, evacuate employees and activate communication protocols to account for employees after an event and to keep them informed.

After the Event/Post-Loss Guidelines:

If your operations are impacted and you incur damage to and/ or interruption of your business, the following post-loss guidelines can assist with the claims recovery process:

- » Secure and ensure safety of employees / colleagues.
- » Activate Loss Recovery Team, which should include as appropriate:
 - Dedicated Team Leader;
 - Risk Manager and financial department colleagues (CFO/Controller);
 - Accounting staff;
 - Facilities management;
 - Outside broker;
 - Forensic accounting / claim preparation consultant; and
 - Construction cost and schedule consultant.
- » Identify, photograph, and document the scope of the loss while preserving any damaged items.

- » Develop scope of repair estimates with vendors or internally.
- » Make immediate necessary temporary repairs to prevent further damage.
- » Implement claim cost tracking and accounting protocols.
- » Implement document gathering protocols for property damage and business interruption.
- » Track and document customer inquiries, cancelled orders, potential delayed events that drive revenue generation or create added cost, and other lost sales or loss event costs.
- » Communicate with broker, consultant, carrier, and adjuster to establish a claims process, including the immediate next steps.

For more information, please email info@imperiumCG.com or visit our website at www.imperiumCG.com

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