



UNCOMMONLY INDEPENDENT

Policy Responsibilities

COVID19 - Protecting your business



The impact of COVID 19 is far-reaching and will impact virtually every business in a multitude of different ways. Managing the risks of these changes is vital to protecting your business and ensuring that you remain aware of the responsibilities you have under your insurance policies in these challenging times.

This communication is designed to provide some additional guidance for your consideration in a number of areas.

DISCLOSURE OF IMPORTANT & MATERIAL INFORMATION

Your policy conditions and the Insurance Act 2015 ("the Act") give a duty to make "a fair presentation of the risk". This is something we remind you of each year at renewal and as required. To meet this duty you need to disclose all material information to (Re)insurers which is known to you (or which ought to be known to you).

Information is material if it would influence the judgement of a prudent (Re)insurer in establishing the premium or determining whether to underwrite the risk and, if so, on what terms.

Failure to provide accurate Material Information could result in claims not being paid or challenged by insurers.

Covid-19 – Material Information

Listed on the following page are non-exhaustive examples of where the Covid-19 Virus might have affected your business and should be communicated to insurers.

If there is anything that you are unsure of or something you would like to discuss, please contact your normal Lockton service team who will be able to assist.

If you require further information, please contact your local Lockton service team member.

Visit

www.lockton.com/coronavirus

for more information regarding Coronavirus.

Listed below are non-exhaustive examples of where the Covid-19 Virus might have affected your business and should be communicated to insurers.

General	<ul style="list-style-type: none"> Any outbreaks of Covid-19 at your premises. Any change in business activity or ways of working/ processes
Property/Business Interruption	<ul style="list-style-type: none"> Have premises become unoccupied or where there is a material reduction in the number of employees at any insured location Changes in occupancy Additional assets disposed of or purchased Changes in security / fire detection systems from those previously disclosed to insurers Major fluctuations in stock sums insured or type of stock stored
Employers' Liability	<ul style="list-style-type: none"> Significant number of redundancies or new starters
Public/Products Liability	<ul style="list-style-type: none"> New products or services being undertaken Changes in contractual arrangements
Cyber	<ul style="list-style-type: none"> Material changes in exposure – e.g. online trading and number of personally identified records
Professional Indemnity	<ul style="list-style-type: none"> Any material change in your business activities
Motor Fleet	<ul style="list-style-type: none"> Any significant fluctuations in fleet numbers
Engineering Combined/Inspection	<ul style="list-style-type: none"> Any decommissioned plant that no longer requires inspection
Business Travel	<ul style="list-style-type: none"> Any material reduction in forecast travel pattern. Note – see latest advice from the Government
Contractors All Risks	<ul style="list-style-type: none"> Covid-19 outbreaks at a contract site Contracts that will be delayed because of Covid-19
Directors & Officers Liability	<ul style="list-style-type: none"> Since the Coronavirus outbreak has the Insured seen any impact to revenue, cash flow or profitability Are there any debt covenants tied to revenue, cash flow and profitability Has the client made any disclosures to the market regarding their trading position and outlook with regard to the Covid. Has the company changed the way that they provide market guidance in light Covid
Employment Practices	<ul style="list-style-type: none"> Is the company planning mass layoffs as a result of Covid and have they engaged outside counsel in setting a protocol for such lay offs?

If you are unsure, please discuss the matter with a member of your Lockton Service Team.