Insights: Alerts

Immediate Steps To Take To Pursue And To Preserve Insurance Coverage For South Carolina Storm-Related Losses

OCTOBER 9, 2015 Written by Julie A. Lierly and Caroline W. Spangenberg

Businesses that have been affected by the recent South Carolina storms, or that rely on customers or suppliers that operate in the affected area, should take immediate steps to pursue and preserve their rights under applicable insurance policies, such as property and business interruption insurance policies, commercial general liability policies, and environmental policies. Below is an overview of those steps, and affected businesses can contact any of the listed Kilpatrick Townsend Insurance Recovery professionals for further guidance.

- ***Identify all types of losses***: Property damage; business interruption/lost profits; extra expense; contingent business interruption (losses resulting from property damage suffered by suppliers or customers); etc.
- ***Identify and review all potentially applicable insurance policies, and assess the scope of your insurance coverage***: Property insurance; business interruption/lost profits insurance; environmental insurance; etc.
- ***Document your losses and track loss-related expenses***: Gather and preserve documentation of all losses/expenses potentially covered by your policies. Documentation should include photographs and/or videotapes, purchase orders, invoices, receipts, and other accounting records, as well as expenses incurred in preparing your insurance claim and in responding to an insurer's requests for documents and information.
- ***Notify your insurer(s) as soon as possible***: Policies typically specify when and to whom notice must be provided, and may purport to require "immediate" notice or notice within as little as 30 days of loss. In some jurisdictions, failure to provide timely notice can jeopardize your coverage.
- ***Take reasonable steps to mitigate your loss***: Property policies may require you to mitigate covered loss but typically cover reasonable expenses that you incur to reduce damage to your property and your business interruption loss.
- ***Identify and calendar all policy deadlines, and request extensions if/when necessary***: Failure to meet timing requirements can jeopardize your coverage, and can result in protracted and costly disputes. Stay on top of these deadlines and request extensions when necessary.
- ***Identify persons with knowledge of losses, and communicate with cauti*** on: Identify all employees with knowledge of the loss. Bear in mind that discussions regarding the event/loss outside of the presence of counsel could be subject to disclosure if disputes ever arise regarding the event/loss.
- ***Cooperate with your insurer(s)***: It is prudent to communicate with your insurer(s), to keep them apprised of relevant developments, and to comply with an insurer's reasonable requests for information, as well as to document and to preserve these communications.

Related People



Julie A. Lierly
t 404.815.6341
jlierly@ktslaw.com



Caroline W. Spangenberg
cspangenberg@ktslaw.com