

# Documenting a Potential Business Interruption Claim

Only time will tell the scope and depth of COVID-19's impact on the economy. Supply chains have been disrupted, travel restricted, and businesses closed. Very few businesses will escape the pandemic unscathed. Even if business interruption coverage does not apply to your unique situation, it is critically important to document your loss in real time. Below are 5 key components of documentation to consider when gathering information to submit a claim.

*Real Time  
Documentation*

## Documentation Considerations:

### 1. PREPARE A TIMELINE

- Document all changes to your business operations with specific dates and details
- Document all Government/Executive/Other Administrative Orders

### 2. TRACK & DOCUMENT KEY BUSINESS METRICS

- Examples:
  - Occupancy and Rate Statistics
  - Rent Rolls and Vacancy Statistics
  - Number of Customers
  - Production Levels
  - Number and Size of Events
  - Number of Procedures

### 3. TRACK & DOCUMENT EXPENSES RELATED TO THE INTERRUPTION EVENT

- Documentation to demonstrate
  - Loss of Sales and/or Customers
  - Fees such as Legal or Accounting
  - Extra Expenses, such as:
    - Cleaning Costs
    - Protective Equipment
    - Replacement Inventory to Shorten the Period of Restoration
    - Additional or New/Temporary Employees
    - Overtime

### 4. DOCUMENT SPECIFIC EVENT RELATED TO BUSINESS ACTIVITY

- Documentation relating to Customer Complaints, Cancellation and/or Rescheduling of Events
  - Correspondence/Email
  - Contracts Related to Cancellations or Scheduling
  - Log of Phone Calls and In-Person Discussions
  - Discounts/Special Promotions
  - Refunds
  - Rent Abatement
  - Penalties/Liquidated Damages
  - Destruction/Donation of Products
  - Lost Opportunities
    - Inability to Market Business or Book Future Events
  - Loss of Key Employees, Vendors or Customers

### 5. THREE-YEAR FINANCIAL HISTORY

- General and Subsidiary Ledgers and Trail Balances
- Industry Data, Statistics and Communication
  - Monthly P & L Statements
  - Daily & Monthly Production Reports
  - Monthly Inventory
  - Invoices & Purchase Orders
  - Budget & Sales Projections