



Gallagher Coronavirus (COVID-19) Client FAQs

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Gallagher

Insurance | Risk Management | Consulting

Firstly, we want to reassure you that we are very much open for business, and remain committed to meeting your insurance and risk management needs during these difficult and uncertain times.

Many clients have raised questions about how different parts of their insurance programme will respond to COVID-19 and we are seeing some common themes. We've created a list of frequently asked questions, which we hope you will find helpful. Some answers are generic as policy wordings are different.

This is designed to give high level information, it can't take account of each of our clients' particular circumstances or policy terms and conditions, and so if you have specific queries you should call your Gallagher team directly who will be able to advise you.

Whilst our UK offices are closed in line with Government guidelines, our teams continue to operate remotely and work closely with clients to help with their risk, insurance and employee benefits needs. We understand that your company may be adjusting to a somewhat different way of working. We promise to do everything we reasonably can to support you during this challenging and uncertain time.

Please follow us on [LinkedIn](#) where we will be posting useful content and advice. We will also be posting information on a dedicated area on our [website](#).

Remember that we're here to help. There are many ways we can support you from risk management to HR and communications consulting.

Questions	Guidance
Where can I find more information?	<ul style="list-style-type: none">• The World Health Organization ("WHO")• UK Department of Health and Social Care• The Association of British Insurers
Will my insurance pay out under business interruption?	<p>Standard business insurance policies are designed to cover traditional risks, such as fire, and are therefore very unlikely to provide cover for the impact of global pandemics like COVID-19. This includes forced closure by the authorities.</p> <p>In regard to business interruption cover, typically such cover only responds where the interruption follows some physical damage for which there is already policy cover. COVID-19 and any mandatory or precautionary closures don't concern physical damage, so under most policies there will not be cover for business interruption. In occasional instances, businesses may have chosen to purchase additional cover specifically for business interruption losses arising from notifiable or infectious diseases. This may carry some element of cover, however this is usually restricted to an inner limit, plus a shorter indemnity period (e.g. three months) than the rest of the policy, and some of these policies will specifically list the diseases covered.</p> <p>This current outbreak of COVID-19 is not included in many policy wordings. As a consequence most clients are unlikely to have any cover.</p> <p>Gallagher can help analyse policies to check exactly what cover clients have. Please contact your Gallagher team to discuss.</p>

Questions	Guidance
<p>Will my travel insurance pay out?</p>	<p>This is very much dependent upon the policy terms, whether or not the country of travel is, at the scheduled time of departure, one to which the Foreign and Commonwealth Office has advised against travel, whether you are yet to travel or currently away, and the other circumstances of your situation. It will also depend on whether your tour operator and/or airline has an obligation to refund you in total or in part.</p> <p>You will probably have cover if you become ill while away, and are not travelling contrary to advice – as always, subject to your policy’s other terms and conditions. You may have cover if, ahead of travel, you have written medical diagnosis and have been advised against travel. If your trip has been cancelled by third parties such as your airline or travel company then you are unlikely to have cover because the obligation to refund you will typically be on them. If you voluntarily elect not to travel, or travel against Foreign and Commonwealth Office advice, then you are unlikely to be covered.</p> <p>If you are unable to enter a country due to the host authorities barring entry for certain nationalities, it is unlikely that the policy will cover losses because most include an exclusion for political intervention.</p> <p>These questions are highly fact specific and your Gallagher team can advise in relation to your particular cover and circumstances. Note that some policies will include specific provisions about how you should report or make a claim.</p> <p>Gallagher is aware that this outbreak has caused many insurers to withdraw from offering travel insurance and specific exclusions relating to infectious disease may be added.</p>
<p>If I cancel my event will I get paid out on my event cancellation insurance?</p>	<p>This insurance is for event organisers or suppliers to events. The losses are likely to be significant and Gallagher anticipates possible challenges in getting claims paid as disputes can arise about what caused the cancellation – including whether the cancellation was voluntary or imposed upon you. In short the relevant clause(s) for the policy to respond must have been triggered. Our dedicated team can help manage these claims. Please call your Gallagher team if you have/are planning to cancel your event.</p>

Questions	Guidance
<p>If I have to close my office, warehouse, shop, are there any implications on my insurance?</p>	<p>Businesses must act prudently to protect premises, assets and stock. Unattended locations offer an increased risk to the elements and theft.</p> <p>Many policies have an unoccupied premises condition, which require policyholders to notify insurers, carry out certain precautions and may also reduce their cover.</p> <p>If a business needs to close premises for a prolonged period of time (normally 30 days or more) this may also affect the policy.</p> <p>In all cases, please call your Gallagher team for further advice and who can help you review your current risk management controls.</p>
<p>Can I confirm publicly on social media that my business is closing or does this affect my insurance?</p>	<p>We expect insurers to understand that businesses will want to inform and reassure customers on social media so hope that this will not affect cover subject to the policy's full terms and conditions. However, businesses must consider carefully what they are posting to ensure they do not accidentally increase the risk to their business, which may give insurers a reason to decline any claims which might otherwise potentially have been covered, e.g. burglary or arson.</p>
<p>What do I need to do from a business continuity standpoint?</p>	<p>A business continuity plan should include the measures businesses should take if employees become ill or are impacted, how to accommodate employees who don't feel safe working in a communal space or whose home life may be impacted if schools and nurseries are closed. It should also include a plan to address any employee who is at risk of infection while travelling in quarantined areas.</p> <p>Businesses should identify critical people, process and technologies that have the biggest negative impact and create recovery strategies to minimise any disruption. This could include outsourcing, allowing more flexible working options or developing commuting alternatives for employees if public transportation is not available.</p> <p>Gallagher has a guide to effective business continuity. Please contact your Gallagher team or visit our website.</p>
<p>I have trade credit insurance, if my suppliers go insolvent, will this pay out any losses I incur?</p>	<p>Trade credit insurance provides cover for businesses that are owed money for products or services and the specified customer does not pay, or pay within the payment terms. This could be for a number of reasons including COVID-19 provided all other policy conditions have been met.</p> <p>Please contact your Gallagher team, who will be pleased to review your policy with you.</p>

Questions	Guidance
<p>If I purchase trade credit insurance now, will this pay out if a supplier doesn't pay or goes bankrupt due to coronavirus?</p>	<p>There are some circumstances where retrospective cover can be negotiated however usually any sales already made prior to the inception of the policy would not be covered. If the customer is included in any new policy then future sales would be covered. We are aware that some insurers are starting to exclude losses which relate to COVID-19 from cover.</p>
<p>How can I protect my supply chain?</p>	<p>Businesses should identify critical elements of their supply chain, review agreements with any member of that chain who could be affected by the virus, and communicate with them about their status to minimise any disruption. Click here to view this podcast on how to review a supply chain. Actions could include outsourcing and reciprocal agreements with competitors who may be looking for similar responses to interruptions. Businesses should work with their supply chain partners to ensure a back-up plan should there be a breakdown along the line. Click here to read Gallagher's guidance on how to review a business continuity plan</p>
<p>Is my business more at risk of a cyber-attack because employees are working from home?</p>	<p>If employees cannot access full company systems they could potentially start to use unsecured systems and trigger cyber breaches. Similarly the reduction in face-to-face contact increases exposure to cyber-scams. Businesses should undertake risk assessments for employees who are home working. Gallagher's risk management team can assist so please call your Gallagher team.</p>
<p>I have purchased additional laptops and headsets for colleagues; are these insured?</p>	<p>If businesses have increased assets or purchased new equipment to enable employees to work from home, they should update their Gallagher team who will be able to inform the insurer and seek terms for an increase of cover. Businesses will not normally have cover for increased assets unless it is requested of the insurers and terms are agreed, including any additional premium due.</p>
<p>If I take out cyber insurance now, will it pay out if in the event of an issue due to coronavirus?</p>	<p>This is a fast moving situation but it is likely that any policies purchased now will exclude disease exposures like COVID-19. However, the peril that cyber policies are insuring is third party cyber-attacks and not COVID-19, so cover may still be available.</p> <p>COVID-19 is being used by fraudsters. Be careful with anything related to COVID-19: emails, attachments, any social media, texts on your phone, anything. There will be a number of scams related to this, so there is an increased risk currently.</p>

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<p>Are my company's assets that employees have taken home to enable them to work remotely insured?</p>	<p>Businesses should check with their Gallagher team that an all risks element is on the policy. The total sums insured might be significant, but the single site exposure will be minimal so this should be simple to insure. Cover will still be subject to its other conditions and to the relevant policy excess. Exposure is more likely to be new IT equipment or stock and transit. Businesses should contact their Gallagher team and update them on any changes in assets..</p>
<p>Will my property insurance pay out if I need to close my premises due to COVID-19?</p>	<p>Policies remain in place however businesses should contact their broker to advise them of a change in trading conditions as this is a material fact that underwriters should be informed about. Your Gallagher team can advise.</p>
<p>My company is contracted to work on site, if I am unable to access it, will my insurance cover it?</p>	<p>Cover for COVID-19 is unlikely to be provided under most businesses' insurance. Contact your Gallagher team to discuss the specifics of your policy.</p>
<p>If I have to close my business will I get any premiums returned for the period of closure?</p>	<p>Many, but not all insurance policies carry premium adjustment clauses and your broker will seek equitable solutions from the insurers to reflect these unique conditions and the policy terms</p>
<p>What are my responsibilities to my employees' safety whilst they are working remotely?</p>	<p>The Health and Safety Executive has published advice on your responsibilities as an employer on its website. Click here to read.</p>
<p>Will my employers' liability cover respond to claims arising from COVID-19?</p>	<p>Employers' liability policies will respond to the extent that the policy will defend the policyholder if a claim is brought. Insurers may well use the no negligence argument to dispute the claim but subject to the policy's specific terms and conditions and the precise facts of the situation, would typically be expected to pay legal costs, and the compensation if found liable.</p>

When interruption to your business happens due to a long-duration event such as a pandemic, severe weather or natural catastrophe, it can present numerous and complex issues. There are many ways Gallagher can help in times like these.

Risk management services

Gallagher provides robust risk management and wellbeing strategies that can help you to mitigate or minimise the impact of business interruption for your organisation and your people.

Whether that's reviewing key covers such as general liability insurance, management liability insurance, employers' liability insurance, property/business interruption insurance and travel/accident insurance, or working with you to analyse your risk to see what specialist products you may need, if any, and then determining a suitable level of cover.

Employee health and wellbeing

Gallagher has one of the leading, full-lifecycle employee benefit consultancies. We provide effective protection, healthcare and wellbeing strategies to support the physical and emotional wellbeing of your people. Our healthcare consultants and group risk consultants can advise on a range of benefits from private medical insurance to income protection.

As well as being able to offer these consultancy services to businesses large and small, we can deliver advice on the more unusual challenges that your business and people may sometimes have to face. In the event of a pandemic, for example, you may need help with staff training for your business continuity plans, and advice on communication protocols and home working solutions that also focus on employee welfare.

Business reviews

When there's a significant, ongoing event to deal with and prioritise, it can be tempting to put aside some of the 'business as usual' meetings and projects. But we are committed to supporting you, whatever is happening in world that may be impacting your business.

Companies of all sizes can be vulnerable, and during challenging and uncertain times, it's even more important to have adequate support in place. We are here to help and can arrange a time convenient with you to set up a video conference for a business review discussion if circumstances don't permit meeting face to face.

If you have any questions about how our consultancy services could help you, or you would like to arrange your business review, please get in touch with us:

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