

Agency Preparedness and Recovery

PLAIN

The PIA guide to creating an agency-specific
business contingency plan

Think  first

Agency Preparedness and Recovery



Introduction

The main mission of any insurance agency is to provide the utmost in customer service to their clients. This not only means handling the day-to-day workings of the agency, but to assist your clients no matter what the circumstances they or, for that matter, the agency faces. It could be hurricanes, which many PIA-affiliated agencies have faced, tornados, fires, floods or any other event that could have a devastating effect on your clients and, therefore, your agency.

During the past several years, we have seen storms becoming more and more intense. These events have many agency owners thinking and worrying about how they might handle such a situation if an event were to strike within their geographical area.

To have events of this extent bring this exposure to mind is unfortunate, as every business faces an exposure to such events every single day. Most business owners think of the major natural disasters or terrorists attacks that have occurred. However, your business can suffer tremendously by events such as your computer system going down for two or three weeks, your agency having a fire that destroys your records, local power outages, localized flooding or perhaps a civil authority refusing access to your business due to a riot or other civil commotion, a chemical spill or leak, nuclear accident or unsafe conditions at nearby properties. All of these examples may not be of the disaster magnitude, however, they can severely affect your customers, the running of your agency and, in turn, your livelihood.

Many agency principals put a contingency plan on the back burner allowing them the time to deal with the more immediate jobs of running an agency. However, without a proper plan in place, you may not have to worry about the day-to-day activities, because your customers could possibly move to another agency that is capable of handling their concerns and potential claims in such a situation. The initial time investment of developing a plan

will more than pay for itself in the event of a disaster, saving you clients, income and major frustration.

A business contingency plan is not a one-time deal. After you create the initial plan, you should be sure that a mandatory annual review is done accounting for vital information that is retrievable in the unfortunate event something does occur. The plan should address the internal workings of the agency, as well as how the agency is going to continue operations and respond to client concerns and needs.

The Professional Insurance Agents of New York, New Jersey, Connecticut and New Hampshire, through member committee involvement, have created this step-by-step contingency manual to give you the information and resources you need to create your own agency-specific plan. As your insurance trade association, we encourage you to take the time to create a plan for your agency.

Any inquiries regarding this manual or its contents, may be directed to PIA's member-exclusive Industry Resource Center at resourcecenter@pia.org or by phone at (800) 424-4244.

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Section I—Plan development

1. Evaluate your storm or disaster vulnerability.
2. Be sure after assessing this vulnerability that you have not underinsured your business.
3. Create a contingency business committee to assess your risk and develop your plan of attack.
4. Be sure to consult local emergency management agency plans to assist in creating yours (i.e., several local governmental emergency management agencies can offer assistance to small businesses).
5. Assessment of external support systems (i.e., other agents, vendor assistance, agency management systems/company interface, etc.).
6. Create a catastrophe contingency budget for unexpected needs after such an event.
7. Prioritize your critical operations to be sure that the most important are accomplished.
8. Create a pre-catastrophe checklist (how to protect equipment, emergency supply locations, system back-up files, etc.).
9. Consider telephone/Internet service considerations.
10. Develop client file preservation plan and off-site back up.
11. Let your customers and insurance companies know you are developing the plan; let them know you are doing everything you can to be prepared in the event of a disaster. Perhaps not just a consumer flier, but a checklist and emergency numbers to send to customers.
12. Plan should be updated and drilled on a regular basis.

Section II—Preservation of office resources and personnel issues

1. Establish an evacuation plan.
2. Establish a plan in case you are confined to your agency.
3. Establish a plan and purchase emergency supplies for such an event.
4. Establish an alternate location plan for staff.
5. Identify succession of authority in case several executive managers are unavailable.
6. Establish payroll and accounting back-up procedures.
7. Ensure computer software back-up and hardware preservation.
8. Put in place an individual employee contact list.

Section III—External business considerations

1. Compile suppliers' and contractors' contact information in an easily accessible manner.
2. Have four or five employees keep the catastrophe plan in an off-site location as well as one on-site.

3. Compile company contact information including claims phone numbers and fax numbers.
4. Remember additional vendors' (supply, computer, equipment, etc.) contact information.

Section IV—Post-event activities

1. Describe communication plan to alert employees to continue business, as necessary.
2. Establish employee re-tasking (duty roster) to handle most important tasks; very well may not be the employee that would normally handle the task. (Back-up systems should be put in place in the pre-planning stage.)
3. Set claims procedure contingency plan in place.
4. Contact all carriers and find out what binding authority, claims authority, your staff will be allowed in responding to insureds' needs.
5. Determine company and/or regulatory policy regarding premium payments; minimize nonpayment cancellations, if possible.
6. Include post-disaster communication with insureds (i.e., posting new location on building if relocated; website update and client contact list).
7. Remember dealing with media and post-catastrophe client frustrations.
8. Set in place computer security preservations.
9. Consider relocation activities, if warranted.
10. Evaluate how the plan worked, and update, as necessary.

Section V—Appendix

1. Employee emergency contact list.
2. Equipment inventory record.
3. Supply of hard-copy ACORD forms.
4. Securing your business checklist.
5. Office supply lists (and vendor contact information).
6. Emergency supply list.
7. Manual claims log form.
8. Consumer flier on post-catastrophe claims (to give to clients).
9. Disaster checklist (pre-catastrophe steps to ensure protection of equipment, etc.).
10. Contact information for emergency management agencies including FEMA.
11. Consumer flier on commonly asked questions after an event (for both personal-lines and commercial-lines clients).
12. Consumer flier on planning for the interruption of business operations.

1-2 Plan development

An emergency is defined as an unexpected event that can cause significant injuries or death of employees, customers or the public at large. That brings us to the even bigger question of “What is emergency management?” Emergency management is the process of preparing for, mitigating, responding to and recovering from an emergency. The most important step you can take toward proper emergency management and securing the future of your business is proper planning.

According to the Insurance Information Institute an estimated 25 percent of businesses do not reopen following a major disaster and 80 percent of companies that do not recover from a disaster within one month are likely to go out of business. Previous studies indicate that 40 percent of small businesses fail within the five-year period after a crisis.

Assessing your business vulnerability to a potential storm or other disaster is your first step to protection. To assess this vulnerability, you will need to think about all the potential risks your agency faces. Potential emergencies can include disasters that occur within your agency or within the community.

Some examples include fire, utility outages, earthquakes, hurricanes, tornadoes, ruptured gas mains, water contamination, building collapse, floods, internal explosion and even the much-feared terrorism attack. One often-forgotten event is an evacuation of the premises due to orders of a civil authority. Be sure, when assessing your risk, to take all of these into account. Remember, these are only a sampling of problems that could occur, so be sure to add any others you feel are necessary for your agency.

The vulnerability assessment chart from Section 1-1 will assist you.

Remember, as you would advise any of your insureds, once you have assessed your vulnerability you are able to make sure your business is covered appropriately. Make sure important agency insurance documentation is included in your hard copy of this plan. Note here where it is kept: _____.

Forming a committee

An emergency response plan is only as good as your ability to communicate quickly and effectively with your employees and customers. To start, top management should create a Business Contingency Planning Committee. The size of the committee will depend on your agency's operations and available resources.

Assigning specific emergency responsibilities to key staff members is a major initiative of the planning committee. Areas that should be considered are personnel management; security (working with local authorities including police and fire departments); data maintenance; external communications to customers and the public; financial procedures to handle income and disbursement; and carrier relations.

Formulating your plan

When formulating your plan, you may want to consider these commonly overlooked questions:

- Does your agency have emergency supplies on hand? Minimum items should include flashlights with batteries, a battery-operated radio, first-aid kit, candles, matches, coins for vending machines.
- Do you have an alternate person to assume authority if your top manager is unavailable?
- Does your agency's alarm system have a battery back up?
- Are personnel records safe from fire or flood?
- Do local authorities have current contact information for your top managers and their alternate?

Budget needs

Establishing a budget and planning deadlines will keep your goal in sight and give you the funding needed to ensure all necessary areas are properly covered for preparation, as well as post-catastrophe needs being met.

- Evacuation plan.
- Assign an evacuation director.
- Shut off power and gas supplies.
- Assistance to disabled workers.
- Protection of materials.
- Designated media spokesperson.
- Determine who on staff is EMT or CPR trained, etc.
- Plan should detail evacuation routes.
- Practice fire drills at least quarterly.
- Determine staff who know building layout/blueprints.
- Determine the conditions under which an evacuation would be necessary.
- Establish clear chain of command.
- Establish system for accounting for all staff.
- Coordinate plans with local emergency management office.

1-3 Key contacts

Use this form to list the key contacts for administration of your business. Key contacts are those you rely on for administration of your business, such as your bank, your creditors, your insurance agent, accountant, etc. They also include services in the community you need to help you resume operations, such as utilities, emergency responders, media outlets, business partners, local law enforcement agencies and business organizations.

Your key customers are an essential part of this list, since they could be involved with one or more of the critical business functions you identify for your recovery plan.

Type of contact

- Accountant
- Bank
- Billing/invoicing service
- Benefits administration
- Building manager
- Building owner
- Building security
- Creditors
- Electric company
- Emergency management agency
- Fire department
- Gas/heat company
- Hazardous materials
- Hospital
- Insurance company (claims reporting)
- Key customer/client
- Local newspaper
- Local radio station
- Local television station
- Mental health/social service agency
- Payroll processing
- Police department (nonemergency)
- Public works department
- Small business administration office
- Telephone company
- Other: _____

Contact information

Name of business or service _____

Account number (if relevant) _____

Materials/service provided _____

Street address _____

City, State, ZIP _____

Company/service phone (main) _____

Primary contact _____

Title _____

Primary contact phone _____

Primary contact fax _____

Primary contact e-mail _____

Primary contact cell _____

Primary contact pager _____

Website address _____

Alternate contact person _____

Title _____

Alternate contact phone _____

Alternate contact fax _____

Alternate contact e-mail _____

Alternate contact cell _____

Alternate contact pager _____

Website address _____

Photocopy this form for each key contact.

1-4 Local authorities and EMAs

When developing your preparedness plan, consult local authorities' and emergency management agencies' plans to assist in creating yours. Make yourself known to them. Meet with local police and fire officials to discuss available services and how you may be of service. Make sure your address is easy to see. Numbers on your building may be damaged or removed in a storm or other disaster. If they are not painted on nearby curbing, ask authorities if you can do so yourself.

Many local power and communication companies maintain a list of "critical service" locations. Check with your providers to see if you qualify.

Meet with local municipal/government authorities to identify your business as a center which the public will need to access their coverage and communicate with their insurance companies.

Also, contact your utility companies, which often have a "preferred customer" list, for businesses that are critical in times of emergencies. Insurance agencies sometimes are considered as such and will be provided with early service so as to help the community.

Police _____
Contact name _____
Phone _____
Address _____

Local government contact (1) _____
Contact name _____
Phone _____
Address _____

Fire _____
Contact name _____
Phone _____
Address _____

Local government contact (2) _____
Contact name _____
Phone _____
Address _____

Power authority _____
Contact name _____
Phone _____
Address _____

Local government contact (3) _____
Contact name _____
Phone _____
Address _____

Telephone company _____
Contact name _____
Phone _____
Address _____

Local government contact (4) _____
Contact name _____
Phone _____
Address _____

1-5 Assessment of external support systems

Vendors

Identify the vendors and back-up vendors that will be necessary to keep your agency running in the event of a disaster.

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

1-5 Assessment of external support systems (continued)

Carriers and agency management systems

What are the agency management systems you need to maintain and who are the carriers with which you need to keep communicating?

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Method by which customers should contact this carrier directly

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Method by which customers should contact this carrier directly

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Method by which customers should contact this carrier directly

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Method by which customers should contact this carrier directly

Company name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Method by which customers should contact this carrier directly

In the case of a physical catastrophe, in which policyholders may come to your location for information on claims, consider posting carrier contact information at the site on a single poster for them.

See the next page for a sample poster.

1-5 Assessment of external support systems (continued)

Partner agencies

Consider partnering with other PIA members or with other local businesses who may share the same vulnerabilities as your business. Or collaborate with a “sister” agency in another city with

which you can provide with reciprocal temporary storage, use of equipment, etc., in the event of a catastrophe. Agree on the details and nature of this partnership in advance.

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

Business name _____

Contact person _____

Phone _____

Address _____

E-mail _____

Nature of partnership agreement _____

1-6a Create a catastrophe contingency budget

Budgeting for the unforeseen may seem nearly impossible. However, there are some items you already may have determined which can help you set aside an emergency fund for unexpected needs after a disaster.

The first is the research you and your own carrier used to determine your business interruption coverage.

Secondly, there are back-up items and procedures you can anticipate, such as a generator and outsourced services.

Determine your average daily earnings

In determining your business interruption insurance needs this worksheet may be helpful to you.

Identify vendors and estimate costs needed to maintain critical operations

Estimating the cost for necessary items and services may help you determine how much you can afford to put aside, for what period

of time, should you need alternative operations to keep your business running. Consider the following:

Cost item	1 week	1 month	3 months
Payroll services			
Accounting services			
Telephone			
Internet			
Equipment rental (1) _____			
Equipment rental (2) _____			
Equipment rental (3) _____			
Equipment rental (4) _____			
Equipment rental (5) _____			
Utility (1) _____			
Utility (2) _____			
Utility (3) _____			
Utility (4) _____			
Utility (5) _____			

When to invest in a back-up generator

Once you've determined the average daily earnings of your agency with the Earnings Loss Worksheet (Section 1-6b), use the following formula to determine your need for a back-up generator.

Step 1—Average daily earnings loss

Take your average daily earnings from the calculation worksheet.

Step 2—Acquisition cost

Determine the estimated cost of a back-up generator sufficient to meet your needs.

Step 3—Savings

Divide the generator acquisition cost in Step 2 by the average daily earnings loss in Step 1.

Step 4—Results

How many days can you go without power before the generator pays for itself?

REMEMBER: Even if you have business interruption insurance, all policies exclude the first three to five business days before lost income is calculated.

1-6b Earnings loss worksheet

Use this worksheet to help you anticipate the financial impact of being shut down or, if operating, unable to produce new business, in the event of a disaster. It is provided for your personal use and

will not satisfy the documentation requirements of your insurance carrier. Any documentation you provide to your carrier also should be included with your disaster kit files.

Step 1—Expenses (A)

Enter your average monthly “space” expenses:

Building or space rental, or mortgage. _____

Utilities:

Power _____

Water _____

Sewer and waste collection. _____

Telephone and Internet costs _____

Building maintenance and/or cleaning services _____

Property insurance _____

Enter your average monthly in-house operating expenses:

Staff payroll (include benefit load and taxes) _____

Owner’s salary or draw _____

Other insurance (workers’ compensation, liability, etc.) _____

Outside services (certified public accountant, legal, collection expenses, etc.) _____

Equipment rental _____

Debt service (equipment payments, vehicles, etc.) _____

Materials and supplies (office and medical) _____

Total (A) = _____

This should reflect your average monthly operating cost.

Step 2—Income (B)

Enter average monthly commission revenue (new/renewal) _____

Subtract average, monthly collection loss _____

Add other, average monthly income _____

Total (B) = _____

This should reflect your average monthly revenue.

Step 3—Assessment

Enter average monthly income (B) _____

Subtract average monthly expenses (A) _____

Net (B-A) = _____

Divide by 30. Average = _____

This should reflect the average daily earnings of your agency.

1-8 Pre-catastrophe checklist

Before developing your agency's disaster preparedness plan, you should consider the following:

- What type of plan does your local government/municipality have in place in the event of a disaster?
- What type of plan do each of your insurance carriers have in place in the event of a disaster? It's best to make sure your procedures coincide to make the claims and other processes go as smoothly as possible.
- Consider coordinating your disaster preparedness plan with those of the businesses around you to avoid gridlock should you be required to evacuate unexpectedly.
- How will you protect your office equipment?
- How will you back up your computer system and office and client data?
- Where will you store emergency supplies?
- Where will you go if you need to evacuate?
- What will you do if you are unable to return to your office?
- How will you communicate with your employees, your insureds, your insurance companies, your vendors, your community and your local media?
- Who has the authority to make important decisions about your agency before, during and after a disaster?
- How will you divide up your daily office duties after a disaster?
- How will you handle your insureds' claims if your office isn't running at full power?
- Who is in charge of ensuring proper supplies are on hand (i.e., first-aid kits, batteries, etc.)?

1-10 Letting people know you have a disaster plan

Let your customers and insurance companies know you've developed a disaster plan and are ready to implement it. You can accomplish this in a number of different ways including:

- Sending a letter to your clients letting them know how they can reach your office in the event of a disaster. Let them know you are doing everything you can to prepare for a disaster. Make sure they have alternate ways to reach you, since traditional communication may not work after a disaster.
- Sending a copy of your disaster preparedness kit to all your insurance carriers so they are familiar with your procedures and are able to reach you. Make sure they have alternate ways to reach you, since traditional communication may not work after a disaster.
- Issuing a press release to, or calling, your local media offering your assistance and expertise as an insurance professional in the event of a disaster. Make sure they have alternate ways to reach you, since traditional communication may not work after a disaster.
- Contacting your municipalities and local government agencies and technology vendors to offer your support in the event of a disaster, but also to let them know your services will be crucial after a disaster. They may be able to put you on a primary list to make sure your electrical, communication and other services are restored quickly if your service is interrupted.
- Considering an ad in your local media—either on your own or with your partner insurance agencies—to alert your community. Let them know you are prepared to continue your business and provide service for your clients after a disaster.

1-11 Plan to update and drill on a regular basis

Once you've established a disaster preparedness kit, it's important to review and update the information regularly—phone numbers, addresses, etc., may change; employees who are responsible for post-disaster actions may leave.

Run drills to see how well your plan works. What may look good on paper may not translate during the actual application of procedures.

Consider reviewing and running drills of your disaster plan once a year or every other year.

1-12 Client file preservation plan and off-site back up

Your client files and computer system data are vital to your business. These are the types of questions you need to consider when developing the computer back-up portion of your disaster

preparedness kit. Your computer systems and agency management system providers may be able to help you develop a back-up system that is suitable for your unique needs.

-
- If you lost your electronic files would you be able to continue your business?
 - Do you have back-up procedures already in place to protect your data from a computer system failure?
 - If so, how often do you run a back up?
 - Have you run a test to make sure your back-up system works?
- Are you able to restore needed data from your back-up system?
 - Have you considered how you would access your electronic files if your electricity or computer system were down following a disaster?
 - Do you store a copy of your valuable computer data off-site?

2-1 Evacuation plan

One of the most important decisions you will confront is whether or not to evacuate your place of business. Sometimes, you will have to make this decision and sometimes it will be made for you.

If your business is threatened by a disaster (i.e., fire, hazardous materials spill, flood, hurricane, tornado, winter storm,

earthquake, communication failure, radiological accident, civil disturbance or explosion) for which there is some advance warning, you will have the option to evacuate and move to a more secure location. At some point, you may be ordered to evacuate by local authorities.

Evacuation plan

Evacuation plan for the _____ location. (*Insert address.*)

The effective date of this plan is _____.

- We have developed these plans in collaboration with neighboring businesses and building owners to avoid confusion or gridlock.
- We have located, copied and posted building and site maps, where employees can see and study them.
- Exits are clearly marked.
- We will practice evacuation procedures _____ times a year.

If we must evacuate quickly, follow the procedures listed below:

I. Warning system (how people will know they need to leave the building)

We will test the warning system and record results _____ times a year.

II. Evacuation assembly site

III. Evacuation assembly site manager and alternate

Manager _____

Alternate _____

Responsibilities _____

IV. Shut-down manager and alternate

Manager _____

Alternate _____

Responsibilities _____

V. Disabled persons

If there is a disabled person (or employees who do not speak English) on staff, _____ is responsible for making sure the individuals get out of the building.

VI. All clear

_____ is the person responsible for issuing the all clear that it's safe to return to the workplace.

2-2 Shelter-in-place plan

In some emergencies (i.e., tornado or chemical incident), it is better to stay inside the building rather than evacuate. To limit exposure in certain events, it's important to designate a "seal the room" location in advance. Choose an interior room, such as a break room or conference room, with as few windows and doors as possible. If your business is more than one floor, there should be one room for each floor.

To seal off a room effectively during a chemical incident, close the business and bring everyone inside. Lock doors, close windows, air

vents and fireplace dampers. Turn off all fans, air conditioning and forced-air heating systems. Seal all windows, doors and air vents with plastic sheeting and duct tape. (Measure and cut the sheeting in advance to save time.) Be prepared to improvise and use what you have on hand to seal gaps so you can create a barrier between your staff and any contamination.

Shelter-in-place plan

Shelter-in-place plan for the _____ location. (*Insert address.*)

The effective date of this plan is _____.

- We have talked to co-workers about which emergency supplies, if any, the company will provide in the shelter location and which supplies individuals might consider keeping in a portable kit personalized for individual needs.
- We will practice shelter procedures _____ times a year.

If we must take shelter quickly, follow the procedures listed below:

I. Warning system (how people will know they need to take shelter)

We will test the warning system and record results _____ times a year.

II. Storm shelter site

III. "Seal-the-room" shelter site

IV. Shelter site manager and alternate

Manager _____

Alternate _____

Responsibilities _____

V. Shut-down manager and alternate

Manager _____

Alternate _____

Responsibilities _____

VI. All clear

_____ is the person responsible for issuing the all clear that it's safe to return to the workplace.

2-3 Emergency supplies plan

A checklist of needed emergency supplies can be found in the appendix of this disaster preparedness kit. However, in order

to make the best use of your supplies you must make sure the supplies are well stocked and kept up-to-date.

Location of emergency supply kit _____

Person responsible for the emergency supply kit (*who will keep supplies up-to-date and be in charge of the supplies if the office is relocated*) _____

Alternate person in charge of the emergency supply kit _____

To ensure that the emergency supply kit is kept up-to-date, the contents will be reviewed (how often) _____

Reimbursement procedure for any supplies that are purchased _____

2-4 Alternate location plan

Business name _____

Address _____

City, State, ZIP _____

Telephone number _____

Directions to location _____

If this location is not accessible we will operate from location below.

Business name _____

Address _____

City, State, ZIP _____

Telephone number _____

Directions to location _____

The following person is our primary crisis manager and will serve as the company spokesperson in an emergency.

Primary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

If the person listed above is unable to manage the crisis, the person below will succeed in management.

Secondary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

Emergency contact information

Dial 9-1-1 in an emergency.

Nonemergency police _____

Fire _____

Additional contact information _____

2-5 Succession of authority

The following person is our primary crisis manager and will make decisions regarding our agency and the emergency and serve as the company spokesperson, if needed.

Primary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

If the person listed above is unable to manage the crisis, the person below will succeed in management:

Secondary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

If the people listed above are unable to manage the crisis, the person below will succeed in management:

Tertiary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

If the people listed above are unable to manage the crisis, the person below will succeed in management:

Quaternary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

If the people listed above are unable to manage the crisis, the person below will succeed in management:

Quinary emergency contact _____

Telephone number _____

Alternative number _____

E-mail _____

2-6 Payroll and accounting back-up procedures

The goal of your back-up payroll procedures should be to ensure delivery of pay; provide a sense of security regarding the continuity of payroll operations; minimize delays in delivering pay in the event of a disaster; and reduce confusion when a disaster has destroyed the ability to process the payroll normally.

This person is responsible for overseeing the payroll process in the event of a disaster.

The following plan will be initiated after a disaster to guarantee that payroll is not interrupted.

Person(s) authorized to sign checks.

It's a good idea to back up your payroll and accounting data to make sure your important files are protected. There are a variety of storage devices available and it's important to find the right tool

for your business' needs. You may want to consider: external hard drives, removable drives (Zip drives), tape drives, CDs or DVDs.

Back-up files should be saved off site in a secured location, so that they can be accessed if you are unable to return to your office building. Remember, there are laws regarding how long a business has to keep payroll and accounting records, so please take that into consideration when devising your back-up system. (Don't forget to check Internal Revenue Service guidelines or with your accountant to determine how long you need to keep your records.)

Once you've selected the type of storage device that's right for your needs, establish a back-up plan.

Photocopy this form for additional file type back-up procedures.

Types of files _____

Back-up device _____

Frequency information is saved to back-up device

Employee responsible for the back-up information

Where back-up information is stored

When back-up information can be erased (*if applicable*)

In the event of an emergency, how will the files be accessed

Additional information

Types of files _____

Back-up device _____

Frequency information is saved to back-up device

Employee responsible for the back-up information

Where back-up information is stored

When back-up information can be erased (*if applicable*)

In the event of an emergency, how will the files be accessed

Additional information

2-7 Software back up and hardware preservation

Software back up

It's sensible to back up your computer data to make sure your important files are protected. There are a variety of storage devices available and it's important to find the right tool for your business' needs. You may want to consider: external hard drives, tape drives, CDs or DVDs.

Remember, the back-up files should be saved off site in a secured location, so that they can be accessed if you are unable to return to your office building.

Once you've selected the type of storage device that's right for your needs, establish a back-up plan.

Photocopy this form for additional file type back-up procedures.

Types of files _____

Back-up device _____

Frequency information is saved to back-up device

Employee responsible for the back-up information

Where back-up information is stored

When back-up information can be erased (*if applicable*)

In the event of an emergency, how will the files be accessed

Additional information

Types of files _____

Back-up device _____

Frequency information is saved to back-up device

Employee responsible for the back-up information

Where back-up information is stored

When back-up information can be erased (*if applicable*)

In the event of an emergency, how will the files be accessed

Additional information

2-7 Software back up and hardware preservation (continued)

Hardware preservation

After a disaster, your back-up files will be useless unless you have the means to access the data. It's a good idea to keep some equipment and an alternate power source stored off site in a safe and secure location.

In the event of a catastrophe, where we are unable to access our office and our technology the following procedures will be followed:

Person responsible for making sure everyone has the equipment they need to perform their jobs

If you have any questions about this procedure or your responsibilities, contact

2-8 Employee contact list

This document should be filled in with the names of all current agency employees along with the department they are in and their appropriate contact information. The list should be broken down into smaller groups so that the agency owner can contact a few key employees and then those employees call a group of other employees and so on.

Employee name	Department	Phone no./cell phone no.	Address
Owner_____			
Employee_____			
Employee_____			
Employee_____			
Employee_____			
Employee_____			

3-1 Key supplier/vendor information

Use this form to record information about your current suppliers and ones you could use as an alternate choice.

Disaster-induced operational problems are not always connected to property damage. They include disruptions in the flow of

supplies and in the ability to ship those goods or deliver services. Your ability to resume operations also relies on the ability of your suppliers to deliver what you need on time.

Photocopy this form for additional key supplier/vendor information.

Company name _____

Current supplier/vendor _____

Back-up supplier/vendor _____

Account number *(if relevant)* _____

Materials/service provided _____

Street address _____

City, State, ZIP _____

Company phone _____

Primary contact _____

Title _____

Primary contact phone _____

Primary contact pager _____

Primary contact cell phone _____

Primary contact fax _____

Primary contact e-mail _____

Alternate contact person _____

Alternate contact phone _____

Alternate contact pager _____

Alternate contact cell phone _____

Alternate contact fax _____

Alternate contact e-mail _____

Website address _____

Recovery notes _____

Company name _____

Current supplier/vendor _____

Back-up supplier/vendor _____

Account number *(if relevant)* _____

Materials/service provided _____

Street address _____

City, State, ZIP _____

Company phone _____

Primary contact _____

Title _____

Primary contact phone _____

Primary contact pager _____

Primary contact cell phone _____

Primary contact fax _____

Primary contact e-mail _____

Alternate contact person _____

Alternate contact phone _____

Alternate contact pager _____

Alternate contact cell phone _____

Alternate contact fax _____

Alternate contact e-mail _____

Website address _____

Recovery notes _____

3-2 Off-site locations of the disaster plan

Have a copy of your disaster preparedness kit on site at your office and make sure all your employees are familiar with their duties and responsibilities before, during and after a disaster. It's also a good idea to keep a few copies of your plan off-site, at four or five employees' homes to make sure your disaster procedures always are available.

The employees who have copies of the agency's disaster preparedness kit off-site are:

1. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

2. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

3. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

4. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

5. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

6. **Name** _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

E-mail _____

3-3 Company contact information

1. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Claims phone number _____

Fax number _____

Claims fax number _____

E-mail _____

Website _____

2. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Claims phone number _____

Fax number _____

Claims fax number _____

E-mail _____

Website _____

3. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Claims phone number _____

Fax number _____

Claims fax number _____

E-mail _____

Website _____

4. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Claims phone number _____

Fax number _____

Claims fax number _____

E-mail _____

Website _____

Photocopy this form for additional company contacts.

3-4 Additional vendors contact information

1. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

2. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

3. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

4. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

5. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

6. Company _____

Primary contact _____

Title _____

Address _____

City, State, ZIP _____

Phone number _____

Fax number _____

E-mail _____

Website _____

Photocopy this form for additional company contacts.

4-1 Communication plan

Employees should have the addresses and telephone numbers of all fellow employees. Develop a “contact tree” so that the well being of everyone can be determined immediately after the disaster. Identify a person outside your geographic area to be contacted if

there are problems. Designate the individual who lives closest to the office to check the office as soon as possible to assess the extent of damage and whether a move to an alternative site is necessary.

Who is the person outside your geographic area?

Who is the person who is responsible for checking on the office after a disaster?

Who does this person contact after determining the status of the office?

After a disaster, if your primary location of business still is operational, who is in charge of alerting employees that it is safe to return to the office?

Alternate contact person?

Below is a detailed description of how employees will be contacted to know it's safe to return to work:

4-2 Employee re-tasking duty roster

A good way to utilize personnel in a crisis is to create an all-encompassing list of the tasks that will need to be performed in your office and group-related tasks in positions designed to

be filled by one person. After you have divided up the tasks and created levels of responsibility, then assign an employee to each position.

Alternative employee duty roster

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

Position _____
Description of duties _____
Responsible employee _____
Alternate responsible employee _____

If you have any questions about the duties assigned to you, contact _____

4-3 Claims procedure

After a disaster, your clients may be calling you to report their own claims and insurance needs. Make sure you've established a claims procedure contingency plan so that you still can continue to serve your clients when your business may not be fully operational.

In the event of a disaster, our office will follow the procedures listed below when our clients need to report a claim:

Remind your clients

That temporary repairs must be made immediately to prevent further damage—but no property may be permanently repaired or replaced before an adjuster has had a chance to examine it. Explain the difference.

That all receipts for emergency repairs and additional living expenses must be saved in order for these expenses to be reimbursed.

That, although the claim will be reported to the carrier today, there may be some delay before you are contacted by an adjuster, depending on the number of claims and the relative severity of your claim.

Be sure to get the following information from the insured:

Name of the insured, as it appears on the policy

Name of the caller/relationship to the insured

Address of the damaged property

Mailing address (*if different*)

Name(s) of all mortgagees

Brief description of damage. (*Note on the report the extent of the damage.*)

Address and phone number where the insured can be contacted

Special considerations, if any _____

Additional information

4-4 Carrier relations

An agency's ability to provide service to its customers following a disaster depends on your ability to communicate effectively with your carriers.

Your disaster preparedness plan should include the following information for each of your insurance carriers: the point at which binding authority is affected; what lines of coverage are subject to suspension; the availability of expanded draft authority; the

location and claims number of their catastrophe claims center; the preferred method of communicating claims information; the outside claims adjusters most likely to be utilized; accounting and payment accommodations that can be expected for both the agency and clients; a copy of each carrier's disaster plan for the regional office you deal with; and knowledge of how a catastrophe affects your binding authority.

Agency's authorization from company after a disaster

Insurance carrier _____

Representative _____

Address _____

City, state, ZIP _____

Phone number _____ Alternate _____

Fax number _____

E-mail address _____

1. The point at which binding authority is affected

2. The lines of coverage subject to suspension are

3. The availability of expanded draft authority

4. The location and claims number of their catastrophe claims center

5. The preferred method of communicating claims information

6. The outside claims adjusters most likely to be utilized

7. The accounting and payment accommodations that can be expected for both the agency and clients

8. Do you have a copy of each carrier's disaster plan for the regional office you deal with? (*Attach copy.*)

9. Do you have knowledge of how a catastrophe affects your binding authority? Explain

Photocopy this form for each of your carriers.

4-5 Post-disaster communication with insureds

As a local insurance agent, you are in a key position to provide accurate information to both official and unofficial community leaders following a catastrophe. Insurance agents are tuned in to the workings of their community. As a salesperson, an agent makes thousands of contacts with people in the community during the course of a career. The agent frequently is well-known and often considered a credible source of information on a service most people find confusing—insurance. Key community leaders will welcome claims information from a local agent following a disaster.

It is equally important that you communicate effectively with your insureds, who will undoubtedly have questions about their insurance policies and need to file their own insurance claims.

Your support could include providing:

- Handout information.
- Pre-printed question and answer sheets with frequently asked questions.
- Lists of resource telephone numbers people can call for assistance.
- Meeting with groups to talk about insurance issues and answer questions.

Don't forget to update your website with key information after a disaster. And, keep an updated contact list of your clients, so you know how to reach them.

If the office is completely operational, follow the procedure listed below to communicate with our insureds.

If the office has been relocated, follow the procedure listed below to communicate with our insureds. *(Don't forget to post signs at your former location indicating where the office has moved to.)*

If the office has been shut down completely and there is no alternative office space, follow the procedure listed below to communicate with our insureds.

Here's a list of emergency phone numbers that an insured can use to contact the agency:

Name _____

Title _____

Emergency phone number _____

Name _____

Title _____

Emergency phone number _____

Name _____

Title _____

Emergency phone number _____

Here's a list of organizations and government entities an insured can contact if they need additional assistance:

Organization _____

Contact person _____

Address _____

City, State, ZIP _____

Phone number _____

Emergency phone number _____

Fax _____

E-mail _____

Organization _____

Contact person _____

Address _____

City, State, ZIP _____

Phone number _____

Emergency phone number _____

Fax _____

E-mail _____

4-6 Dealing with the media and post-catastrophe frustrations

Dealing with the media

The media can be an important link between your business and your clients. It's important to appoint a trained, well-spoken individual, who is familiar with your disaster plan and post-catastrophe operations to serve as your agency's spokesperson.

In the event of an emergency the following person is responsible for talking to the media

The alternative person is

The spokesperson will meet with the media at this location

Alternate meeting place/means of communication include

To make sure that the information distributed to the media is accurate, the following procedure for dissemination should be followed

The following information about the agency (i.e., fact sheets, corporate background information, emergency contact information, etc.) should be copied and ready to pass out to the media

Post-catastrophe client frustrations

While you are trying to get your business up and running again, it's important not to ignore your customers. Be prepared to handle those clients who seem unwilling to wait for help or those who become increasingly vocal about their situation.

In the event of a catastrophe, the following procedures should be followed when dealing with post-catastrophe client frustrations

The person/people who are responsible for making sure that all clients' concerns and questions are handled in a timely fashion are

A listing of local emergency shelters which are available:

Shelter name _____

Address _____

City, state, ZIP _____

Phone number _____

Alternate phone number _____

Fax number _____

E-mail address _____

Shelter name _____

Address _____

City, state, ZIP _____

Phone number _____

Alternate phone number _____

Fax number _____

E-mail address _____

Shelter name _____

Address _____

City, state, ZIP _____

Phone number _____

Alternate phone number _____

Fax number _____

E-mail address _____

4-8 Relocation activities

Sometimes after a disaster it's impossible to return to your building because of excessive damage or complete destruction. Should this happen you need a permanent, alternative location, such as a branch office, a sister location, etc.

In the event that the office is completely destroyed or otherwise unsuitable for work, please report to:

Alternate location _____

Address _____

City, State, ZIP _____

Phone number _____

Alternate phone number _____

Fax number _____

E-mail address _____

Directions to location

Please direct your questions to

4-9 Disaster preparedness plan evaluation

After you have written your plan, ask your fire chief or the head of your local division of emergency management to have one of their people review it for completeness and accuracy. You also should consider showing it to the key people in your agency, asking for their critiques. More important is coordinating your plan with your carriers' plans. It's going to be done their way anyway, so you might as well find out ahead of time how to ensure your plan will be in line with their procedures.

Also, once you've established and verified your disaster preparedness plan, it's important to review it at least once a year to make sure it's up-to-date. Also, you should plan drills and evaluate afterward to see how well your agency's plan works.

Reviewing the disaster preparedness plan

Date _____

Participants _____

Parts of plan that were reviewed/updated _____

Employees will be notified of changes to the plan and their responsibilities by

Disaster preparedness plan drill and evaluation

Date _____

Participants _____

Comments _____

Suggested changes to plan _____

Action taken _____

5-1 Employee contact list

This document should be filled in with the names of all current agency employees along with the department they are in and their appropriate contact information. The list should be broken down into smaller groups so that the agency owner can contact a few key employees and then those employees call a group of other employees and so on.

Employee name	Department	Phone no./cell phone no.	Address
Owner _____			
Employee _____			
Employee _____			
Employee _____			
Employee _____			
Employee _____			
Employee _____			

5-2 Equipment/machinery/vehicles

Identify the key equipment/machinery necessary to perform your essential business functions, i.e., the equipment or machinery that would shut you down or severely curtail production of goods or services if it failed. This could include tools and spare parts vital to operation of equipment. You also may want to list company-owned vehicles.

machinery that can easily be moved to a safe place, so that it could be used at your recovery location. In that case, you would want to list equipment or machinery you currently own or lease. Some disasters occur without warning, though, so you want to be sure you have alternatives available.

Photocopy this form for additional equipment, machinery or vehicles.

When there is adequate warning about an event, such as a hurricane, you might decide to take some of your equipment or

Item _____

Model number _____

Status (*Circle one.*) Currently in use Will lease/buy for recovery location

Primary supplier/vendor _____

Alternate supplier/vendor _____

Recovery install location _____

Related business function(s) _____

Back up available? (*Circle one.*) Yes No

Order time for replacement _____

Recovery notes _____

Item _____

Model number _____

Status (*Circle one.*) Currently in use Will lease/buy for recovery location

Primary supplier/vendor _____

Alternate supplier/vendor _____

Recovery install location _____

Related business function(s) _____

Back up available? (*Circle one.*) Yes No

Order time for replacement _____

Recovery notes _____



GENERAL LIABILITY NOTICE OF OCCURRENCE / CLAIM

DATE (MM/DD/YYYY)

AGENCY	INSURED LOCATION CODE	DATE OF LOSS AND TIME	AM PM
	CARRIER	NAIC CODE	
	POLICY NUMBER		
CONTACT NAME:			
PHONE (A/C. No. Ext):			
FAX (A/C. No.):			
E-MAIL ADDRESS:			
CODE: SUBCODE:			
AGENCY CUSTOMER ID:			

INSURED		
NAME OF INSURED (First, Middle, Last)		INSURED'S MAILING ADDRESS
DATE OF BIRTH	FEIN (if applicable)	
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:
		SECONDARY E-MAIL ADDRESS:

CONTACT		CONTACT INSURED
NAME OF CONTACT (First, Middle, Last)		CONTACT'S MAILING ADDRESS
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	
WHEN TO CONTACT		PRIMARY E-MAIL ADDRESS:
		SECONDARY E-MAIL ADDRESS:

OCCURRENCE	
LOCATION OF OCCURRENCE	POLICE OR FIRE DEPARTMENT CONTACTED
STREET:	REPORT NUMBER
CITY, STATE, ZIP:	
COUNTRY:	

DESCRIBE LOCATION OF OCCURRENCE IF NOT AT SPECIFIC STREET ADDRESS:

DESCRIPTION OF OCCURRENCE (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

TYPE OF LIABILITY			
PREMISES: INSURED IS	OWNER	TENANT	
OWNER'S NAME & ADDRESS (if not insured)			
TYPE OF PREMISES			
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL		
PRIMARY E-MAIL ADDRESS:			
SECONDARY E-MAIL ADDRESS:			
PRODUCTS: INSURED IS	MANUFACTURER	VENDOR	
MANUFACTURER'S NAME & ADDRESS (if not insured)			
TYPE OF PRODUCT			
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL		
PRIMARY E-MAIL ADDRESS:			
SECONDARY E-MAIL ADDRESS:			
WHERE CAN PRODUCT BE SEEN?			

INJURED / PROPERTY DAMAGED

AGENCY CUSTOMER ID: _____

NAME & ADDRESS (Injured/Owner)			EMPLOYER'S NAME & ADDRESS		
PRIMARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
PRIMARY E-MAIL ADDRESS:			PRIMARY E-MAIL ADDRESS:		
SECONDARY E-MAIL ADDRESS:			SECONDARY E-MAIL ADDRESS:		
AGE	SEX	OCCUPATION			
WHERE TAKEN			DESCRIBE INJURY		
WHERE TAKEN			WHAT WAS INJURED DOING?		
DESCRIBE PROPERTY (Type, model, etc.)		ESTIMATE AMOUNT	WHERE CAN PROPERTY BE SEEN?		

WITNESSES

NAME AND ADDRESS	PRIMARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
PRIMARY E-MAIL ADDRESS:				
SECONDARY E-MAIL ADDRESS:				
NAME AND ADDRESS	PRIMARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
PRIMARY E-MAIL ADDRESS:				
SECONDARY E-MAIL ADDRESS:				
NAME AND ADDRESS	PRIMARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE #	<input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
PRIMARY E-MAIL ADDRESS:				
SECONDARY E-MAIL ADDRESS:				

REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SPECIMEN

REPORTED BY	REPORTED TO
-------------	-------------

APPLICABLE IN ALASKA

A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

APPLICABLE IN ARIZONA

For your protection, Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

APPLICABLE IN ARKANSAS, DELAWARE, KENTUCKY, LOUISIANA, MAINE, MICHIGAN, NEW JERSEY, NEW MEXICO, NEW YORK, NORTH DAKOTA, PENNSYLVANIA, RHODE ISLAND, SOUTH DAKOTA, TENNESSEE, TEXAS, VIRGINIA, AND WEST VIRGINIA

Any person who knowingly and with intent to defraud any insurance company or another person, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and [NY: substantial] civil penalties. In LA, ME, TN, and VA, insurance benefits may also be denied.

APPLICABLE IN CALIFORNIA

For your protection, California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

APPLICABLE IN COLORADO

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

SPRECEIMEN

APPLICABLE IN THE DISTRICT OF COLUMBIA

Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

APPLICABLE IN FLORIDA

Pursuant to S. 817.234, Florida Statutes, any person who, with the intent to injure, defraud, or deceive any insurer or insured, prepares, presents, or causes to be presented a proof of loss or estimate of cost or repair of damaged property in support of a claim under an insurance policy knowing that the proof of loss or estimate of claim or repairs contains any false, incomplete, or misleading information concerning any fact or thing material to the claim commits a felony of the third degree, punishable as provided in S. 775.082, S. 775.083, or S. 775.084, Florida Statutes.

APPLICABLE IN HAWAII

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

APPLICABLE IN IDAHO

Any person who knowingly and with the intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

APPLICABLE IN INDIANA

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

APPLICABLE IN KANSAS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

APPLICABLE IN MARYLAND

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

APPLICABLE IN MINNESOTA

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

APPLICABLE IN NEVADA

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

APPLICABLE IN NEW HAMPSHIRE

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

APPLICABLE IN OHIO

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

APPLICABLE IN OKLAHOMA

WARNING: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

APPLICABLE IN WASHINGTON

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

SPEECIMEN



AUTOMOBILE LOSS NOTICE

DATE (MM/DD/YYYY)

AGENCY	INSURED LOCATION CODE	DATE OF LOSS AND TIME		AM
	CARRIER			PM
	POLICY NUMBER			NAIC CODE
CONTACT NAME:	POLICY TYPE			
PHONE (A/C. No. Ext):				
FAX (A/C. No.):				
E-MAIL ADDRESS:				
CODE:	SUBCODE:			
AGENCY CUSTOMER ID:				

INSURED

NAME OF INSURED (First, Middle, Last)			INSURED'S MAILING ADDRESS	
DATE OF BIRTH	FEIN (if applicable)	MARITAL STATUS		
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:		
		SECONDARY E-MAIL ADDRESS:		

CONTACT

NAME OF CONTACT (First, Middle, Last)			CONTACT'S MAILING ADDRESS	
DATE OF BIRTH	FEIN (if applicable)	MARITAL STATUS		
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:		
		SECONDARY E-MAIL ADDRESS:		

LOSS

LOCATION OF LOSS	POLICE OR FIRE DEPARTMENT CONTACTED
STREET:	REPORT NUMBER
CITY, STATE, ZIP:	
COUNTRY:	
DESCRIBE LOCATION OF LOSS IF NOT AT SPECIFIC STREET ADDRESS:	
DESCRIPTION OF ACCIDENT (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)	

INSURED VEHICLE

VEH #	YEAR	MAKE:	BODY TYPE:	PLATE NUMBER	STATE
		MODEL:	V.I.N.:		
OWNER'S NAME AND ADDRESS <input type="checkbox"/> (Check if same as insured)			PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	
			PRIMARY E-MAIL ADDRESS:		
			SECONDARY E-MAIL ADDRESS:		
DRIVER'S NAME AND ADDRESS <input type="checkbox"/> (Check if same as owner)			PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	
			PRIMARY E-MAIL ADDRESS:		
			SECONDARY E-MAIL ADDRESS:		
RELATION TO INSURED (Employee, family, etc.)	DATE OF BIRTH	DRIVER'S LICENSE NUMBER	STATE	PURPOSE OF USE	USED WITH PERMISSION? (Y/N)

DESCRIBE DAMAGE

1. WAS A STANDARD CHILD PASSENGER RESTRAINT SYSTEM (CHILD SEAT) INSTALLED IN THE VEHICLE AT THE TIME OF THE ACCIDENT?	Y / N	
2. WAS THE CHILD PASSENGER RESTRAINT SYSTEM (CHILD SEAT) IN USE BY A CHILD DURING THE TIME OF THE ACCIDENT?	Y / N	
3. DID THE CHILD PASSENGER RESTRAINT SYSTEM (CHILD SEAT) SUSTAIN A LOSS AT THE TIME OF THE ACCIDENT?	Y / N	
ESTIMATE AMOUNT:	WHERE CAN VEHICLE BE SEEN?:	WHEN CAN VEHICLE BE SEEN?:
OTHER INSURANCE ON VEHICLE - CARRIER:		POLICY NUMBER:

OTHER VEHICLE / PROPERTY DAMAGED NON - VEHICLE?

AGENCY CUSTOMER ID: _____

VEH #	YEAR	MAKE:	BODY TYPE:	PLATE NUMBER	STATE
		MODEL:	V.I.N.:		
DESCRIBE PROPERTY (Other Than Vehicle)					OTHER VEH/PROP INS? (Y/N) <input type="checkbox"/>
CARRIER OR AGENCY NAME			NAIC CODE	POLICY NUMBER	
OWNER'S NAME AND ADDRESS			PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	
			PRIMARY E-MAIL ADDRESS:		
DRIVER'S NAME AND ADDRESS <input type="checkbox"/> (Check if same as owner)			PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	
			PRIMARY E-MAIL ADDRESS:		
DESCRIBE DAMAGE					
ESTIMATE AMOUNT		WHERE CAN DAMAGE BE SEEN?			

INJURED						
NAME & ADDRESS	PHONE (A/C, No)	PED	INS VEH	OTH VEH	AGE	EXTENT OF INJURY
SPECIMEN						
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

WITNESSES OR PASSENGERS				
NAME & ADDRESS	PHONE (A/C, No)	INS VEH	OTH VEH	OTHER (Specify)
		<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	<input type="checkbox"/>	
		<input type="checkbox"/>	<input type="checkbox"/>	

REPORTED BY	REPORTED TO
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REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

APPLICABLE IN ALASKA

A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

APPLICABLE IN ARIZONA

For your protection, Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

APPLICABLE IN ARKANSAS, DELAWARE, KENTUCKY, LOUISIANA, MAINE, MICHIGAN, NEW JERSEY, NEW MEXICO, NORTH DAKOTA, PENNSYLVANIA, RHODE ISLAND, SOUTH DAKOTA, TENNESSEE, TEXAS, VIRGINIA, AND WEST VIRGINIA

Any person who knowingly and with intent to defraud any insurance company or another person, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and civil penalties. In LA, ME, TN, and VA, insurance benefits may also be denied.

APPLICABLE IN CALIFORNIA

For your protection, California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

APPLICABLE IN COLORADO

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

SPRECKMENN

APPLICABLE IN THE DISTRICT OF COLUMBIA

Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.

APPLICABLE IN FLORIDA

Pursuant to S. 817.234, Florida Statutes, any person who, with the intent to injure, defraud, or deceive any insurer or insured, prepares, presents, or causes to be presented a proof of loss or estimate of cost or repair of damaged property in support of a claim under an insurance policy knowing that the proof of loss or estimate of claim or repairs contains any false, incomplete, or misleading information concerning any fact or thing material to the claim commits a felony of the third degree, punishable as provided in S. 775.082, S. 775.083, or S. 775.084, Florida Statutes.

APPLICABLE IN HAWAII

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

APPLICABLE IN IDAHO

Any person who knowingly and with the intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

APPLICABLE IN INDIANA

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

APPLICABLE IN KANSAS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

APPLICABLE IN MARYLAND

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

APPLICABLE IN MINNESOTA

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

APPLICABLE IN NEVADA

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

APPLICABLE IN NEW HAMPSHIRE

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

APPLICABLE IN NEW YORK

Any person who knowingly and with intent to defraud any insurance company or other person files an application for commercial insurance or a statement of claim for any commercial or personal insurance benefits containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, and any person who in connection with such application or claim knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the Department of Motor Vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.

APPLICABLE IN OHIO

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

APPLICABLE IN OKLAHOMA

WARNING: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

APPLICABLE IN WASHINGTON

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

SPEECIMEN



PROPERTY LOSS NOTICE

DATE (MM/DD/YYYY)

AGENCY	INSURED LOCATION CODE	DATE OF LOSS AND TIME	AM PM
	PROPERTY / HOME POLICY		
	CARRIER	NAIC CODE	
CONTACT NAME:	POLICY NUMBER		
PHONE (A/C. No. Ext):			
FAX (A/C. No.):	FLOOD POLICY		
E-MAIL ADDRESS:	CARRIER	NAIC CODE	
CODE:	SUBCODE:		
AGENCY CUSTOMER ID:	POLICY NUMBER		
	WIND POLICY		
	CARRIER	NAIC CODE	
	POLICY NUMBER		

INSURED

NAME OF INSURED (First, Middle, Last)			INSURED'S MAILING ADDRESS		
DATE OF BIRTH	FEIN (if applicable)	MARITAL STATUS			
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:			
NAME OF SPOUSE (First, Middle, Last) (if applicable)		SECONDARY E-MAIL ADDRESS:			
DATE OF BIRTH		FEIN (if applicable)		SPOUSE'S MAILING ADDRESS (if applicable)	
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:			
		SECONDARY E-MAIL ADDRESS:			

CONTACT

CONTACT INSURED			CONTACT'S MAILING ADDRESS		
NAME OF CONTACT (First, Middle, Last)					
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:			
WHEN TO CONTACT		SECONDARY E-MAIL ADDRESS:			

LOSS

LOCATION OF LOSS		POLICE OR FIRE DEPARTMENT CONTACTED			
STREET:		REPORT NUMBER			
CITY, STATE, ZIP:					
COUNTRY:					
DESCRIBE LOCATION OF LOSS IF NOT AT SPECIFIC STREET ADDRESS:					
KIND OF LOSS	<input type="checkbox"/> FIRE	<input type="checkbox"/> LIGHTNING	<input type="checkbox"/> FLOOD	<input type="checkbox"/>	PROBABLE AMOUNT ENTIRE LOSS
	<input type="checkbox"/> THEFT	<input type="checkbox"/> HAIL	<input type="checkbox"/> WIND		
DESCRIPTION OF LOSS & DAMAGE (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)					
REPORTED BY			REPORTED TO		

REMARKS (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SPECIMEN

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NEW MEXICO, NEW YORK, NORTH DAKOTA, PENNSYLVANIA, RHODE ISLAND, SOUTH DAKOTA,
TENNESSEE, TEXAS, VIRGINIA, AND WEST VIRGINIA**

Any person who knowingly and with intent to defraud any insurance company or another person, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and [NY: substantial] civil penalties. In LA, ME, TN, and VA, insurance benefits may also be denied.

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APPLICABLE IN INDIANA

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

APPLICABLE IN KANSAS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

APPLICABLE IN MARYLAND

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

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5-4 Securing your business checklist

Office and equipment

- Are all shelves and file cabinets anchored to walls, particularly when earthquakes or floods are likely? (However, if you lease rather than own your office space, check with the building owner before drilling holes in the wall.)
- Are all drawers to file cabinets closed and locked when the office is closed? Are all files returned to the file cabinets at day's end?
- During the general course of business in an agency, many files are out all the time. As you prepare to weather a disaster, you should make a list of all the files that are out, why they are out and where they are. Then as the time to "batten down the hatches" nears, you should put all the files away in the cabinets. Pack your file cabinets as tightly as possible.
- Wrap the files in each drawer with plastic garbage bags before locking the drawers, and then cover the top of each file cabinet with a plastic garbage bag to retard water damage.
- Have you addressed the availability of a back-up power supply?
- Have you identified an alternative location from which your agency could operate and determine the availability of support services? Be sure your alternate location has fax machines and compatible computer hardware and software for reading your back-up data disks.

Internal considerations

- A complete computer back-up procedure is essential.
- Consider making multiple copies of all data to be stored with employees who live in different areas. Consider mailing a copy to your software vendor. Mail an additional copy to a relative or friend in another city or state, distant from your location. Identify where to obtain temporary replacement hardware. An agency needs to back up its own important business records in addition to its client and carrier files.

For those emergencies for which there is some warning:

- Have you found a secure area where essential equipment can be moved?
- Have you secured all exterior doors and windows? All furniture should be moved as far away as possible from doors and windows?
- Are all the contents raised above floor level where flooding is possible?

Paper copies

- Do you have paper copies of certain crucial information (especially telephone numbers)?
- Do you periodically run off key computer records, such as updated lists of insureds and complete records of accounts receivable, onto paper or a back-up computer disk and store them in another location?
- When it comes to back-up recordkeeping, assume that your agency offices will be destroyed in any catastrophe and make security copies of everything you would need in that event. Keep on paper or diskette a current list of policy renewal dates as well as the status of endorsement changes and a full status report on claims.

5-6 Emergency supplies checklist

Here is a checklist of the supplies you may need. Chances are you will not need—and couldn't afford—all the items listed here. Think of this list as a menu. Select what you will need for your individual circumstances. The items which you really

should not try to do without are in bold. And remember, you don't really know just how long you will be operating under adverse conditions.

-
- ACORD forms
 - Agency duty rosters
 - All phone numbers
 - Battery-operated Citizens Band radio
 - Battery-operated radio** and TV
 - Bicycle
 - Blank computer disks
 - Blank log sheets**
 - Bottled drinking water**
 - Carbon paper, ink pads, ink**
 - Cash**
 - Cellular telephone(s)**
 - Changes of clothing
 - Company update sheets**
 - First-aid kit**
 - Flashlights and plenty of batteries**
 - Gas cans, **emergency fuel**
 - Generator
 - Hammer, nails, screwdriver, crowbar, duct tape**
 - Hip **boots** and foul **weather gear**
 - Information handouts
 - Instant/digital camera and plenty of film**
 - Jumper cables
 - Manual typewriters and ribbons**
 - Nonperishable food items**
 - Note pads, staples
 - Paper towels, **toilet paper**, paper plates and cups
 - Pens, pencils, paper, paper clips**
 - Photocopier
 - Plastic coverings and/or tarpaulins
 - Portable computer with power supply
 - Refills of prescription medications**
 - Rubbing alcohol/disinfectant
 - Simple fax machine with battery pack**
 - Single-line, nonelectric telephones**
 - Sterno stove
 - Tape recorder
 - Tire jack
 - Video camcorder

Note: You may already have many of the items you will need. Other items will be able to be secured on short notice. Some will have to be obtained well in advance.

5-8 Post-catastrophe claims (for consumers)

What to do after a catastrophic loss occurs

Your property insurance covers many events that can cause damage to your property. Unfortunately, not every event is covered. Earthquakes, floods and power blackouts are examples of events typically excluded without special arrangements for endorsements or separate policies. However, even though excluded events are not covered, there may yet be coverage for damage that arises from a concurrent or ensuing covered event. We recommend that you assume you have coverage until you are informed otherwise by the insurance company.

The following are some things you must do before you will get paid for your property loss claim:

- Promptly report the loss**

Provided you have not been instructed otherwise, we ask that you contact our agency to give us a description of your property that has been damaged. In some cases (particularly, if our agency also has been damaged by the same catastrophic event), it may be necessary to report directly to the insurance company. It is vital that you report your loss as soon as possible in order to preserve your right to make a claim.
- Protect your property**

When your property has been made vulnerable by a loss event, you are required to protect the property from further damage. This may mean covering property with a tarp, boarding windows, shutting off utilities (natural gas, water, electricity, etc.), extracting water from the structure or removing property to a safe location. Be sure to save receipts for expenses incurred to protect your property so that you can be reimbursed according to the terms of the policy.
- Separate your personal property**

Do not dispose of any damaged property unless government authorities require you to do it. Damaged personal property needs to be separated from undamaged property so that it can be inspected by the insurance company's adjuster.
- Inventory your personal property**

You will need to prepare an inventory of damaged personal property that shows the description, quantity, cost new (if known) and current value of each item. Provide all the evidence you have that will substantiate its existence and value (pictures, video, brochures, packaging, receipts, etc.).
- Submit a proof of loss**

In some cases, you will be required to submit a signed, sworn proof of loss within 60 days. In addition to your inventory of damaged personal property, the proof of loss will contain information about the extent and cost of repairs to real property, other insurance applicable to the loss, all interests (owners and lien holders) in the property, preservation expenses, additional living expenses, loss of rents and any other statements or documents that support your claim.

5-9 Pre-catastrophe checklist

- Do you know what type of plan your local government/municipalities have in place in the event of a disaster?
- Do you know what type of plan each of your insurance carriers have in place in the event of a disaster? It's best to make sure your procedures coincide to make the claims and other processes go as smoothly as possible.
- Have you considered coordinating your disaster preparedness plan with those of the businesses around you to avoid gridlock should you be required to evacuate unexpectedly?
- Do you know how you will protect your office equipment?
- Do you know where you will store your paper files?
- Do you know how you will back up your computer system and office and client data?
- Do you know where you will store emergency supplies?
- Do you know where you will go if you need to evacuate?
- Do you know what you will do if you are unable to return to your office?
- Do you know how you will communicate with your employees, your insureds, your insurance companies, your vendors, your community and your local media?
- Do you know who has the authority to make important decisions about your agency before, during and after a disaster?
- Do you know how you will divide up your daily office duties after a disaster?
- Do you know how you will handle your insureds' claims if your office isn't running at full power?

5-10 Federal Emergency Management Agency contact points

Disaster assistance

Access to disaster help and resources online

www.disasterassistance.gov

Register for disaster assistance over the phone

(800) 621-FEMA (3362)

Fire Administration and Urban Search and Rescue

U.S. Fire Administration

www.usfa.fema.gov

Fire grants

www.usfa.fema.gov/fireservice/grants/

USAR teams

www.fema.gov/emergency/usr

Medical teams

www.hhs.gov/aspr/opeo/ndms/teams

Flood insurance and flood maps

General flood insurance questions

www.ready.gov

FAQs on flood insurance

www.fema.gov/plan/prevent/floodins/ask.shtm

Flood Smart, official website of the National Flood Insurance Program

www.floodsmart.gov

Information for real estate and insurance agents

www.fema.gov/business/nfip/hillsbo1.shtm

Flood maps

www.fema.gov/hazard/map/flood.shtm

Weather information from the National Weather Service

Get the latest in weather updates

www.nws.noaa.gov

Hurricane watch

www.nhc.noaa.gov

Tsunami

www.tsunami.gov

5-11 Questions that business owners may have about claims

When a catastrophic event occurs, you no doubt will feel overwhelmed by the loss and the confusion that follows. Advance preparation is your first prescription for getting through the experience. But, now that you have suffered a loss, you will benefit from the kind of information that follows from questions asked by others who have endured similar events.

What is the most important thing to do first?

Your safety is always the most important concern. Do not return to your property until authorities have signaled that it is safe to do so. When you approach the property, look for unsafe conditions, such as downed power lines, the smell of natural gas and unstable structural conditions. If it is safe to proceed, proactively shut off the utilities (electricity, natural gas, water, etc.) before inspecting the damage. Do not drink tap water (without boiling it for five minutes first) until you know the water is safe to drink.

Should I take pictures of the damage?

Yes. Take a liberal amount of pictures from different angles before you make emergency repairs to protect the property from further damage. You may use a video/digital camera for this purpose, as well.

My building is too damaged to occupy and conduct my business operations. What do I do?

If you have the type of business that cannot shut down operations during the time it takes to restore your property, you will need to find another location from which to operate. Naturally, you will follow your contingency plan, if you have one. If not, you may want to contact friends, competitors, realtors or anyone else you think might have usable space.

Call our agency to determine whether you have “extra expense” coverage on your policy. This coverage will pay for the additional expense you incur to resume your business operations at another location. The typical commercial property policy covers events, such as fire, windstorm and tornado. Unfortunately, even if you have a flood insurance policy, your extra expenses may not be paid when the damages are caused by flooding. Keep this in mind when you make your temporary tenant arrangements.

I may not be able to continue some or all of my business operations. How do I claim my lost income and pay continuing expenses?

Call our agency to determine whether you have “business income” coverage on your policy. This coverage will pay your continuing expenses and enough income to place you in the same financial position, had you not incurred the property damage. This is one of the more complex aspects of your loss, so you may want the assistance of your accountant when preparing your claim.

What can I expect the adjuster to do when he or she arrives?

The adjuster will “scope” the damage, an important part of the claim process. An attempt will be made to determine the cause of damage—for example, was the damage caused by wind, flood or both? Next, the adjuster will itemize the property that has been damaged. You will want to make sure that nothing is overlooked. The placement of values on the damaged property will not occur at this time. Appraisals, repair estimates and inventories will be obtained later to establish values.

Often, the adjuster will offer an advance payment on a covered claim so that restoration may begin and temporary tenant arrangements can be made. Be sure to keep detailed records on how this money is spent.

Should I hire my own adjuster to assist me with my claim?

Public adjusters are paid a fee based upon a percentage of the claim settlement; typically, between 10 and 15 percent (state laws may apply). Consequently, you will need to decide whether the adjuster’s services are worth the discounting of your claim settlement. Some of the services public adjusters provide are preparing the scope of damage, preparing inventories, ensuring that coverage decisions are reasonable, obtaining repair or reconstruction estimates; assisting with the presentation of the claim; acting as appraisers or accountants and assisting with negotiations.

Our agency will help you with coverage issues and provide assistance in the claim process. If your property values are out of the ordinary or the sheer volume of inventory is burdensome to you, you may want the assistance of a public adjuster.

5-11 Questions that business owners may have about claims (continued)

What if I do not agree with the property values upon which the insurance company is basing the loss amount?

You may just need additional documentation. When you obtain the evidence that substantiates the property value, go back to the adjuster and negotiate a better settlement.

If the adjuster is obstinate and/or unfair, you can request to talk to the supervising adjuster. Our agency will advocate on your behalf to the extent possible.

If you are unable to negotiate further with the adjuster, there is an "Appraisal" provision in your policy that specifies a procedure for

resolving differences in the valuation of property losses. You and the insurance company each will get an appraiser at each parties' own expense. Then those two appraisers will choose an umpire (whose fee is shared). An agreement by any two of the three appraisers will establish the amount payable.

Any time you feel your insurance company is not treating you fairly, you may file a complaint with the Insurance Department.

5-11a Questions that homeowners may have about claims

When a catastrophic event occurs, you no doubt will feel overwhelmed by the loss and the confusion that follows. Advance preparation is your first prescription for getting through the experience. But, now that you have suffered a loss, you will benefit from the kind of information that proceeds from questions asked by others who have endured similar events.

What is the most important thing to do first?

Your safety always is the most important concern. Do not return to your property until authorities have signaled it is safe to do so. When you approach the property, look for unsafe conditions, such as downed power lines, the smell of natural gas and unstable structural conditions. If it is safe to proceed, proactively shut off the utilities (electricity, natural gas, water, etc.) before inspecting the damage. Do not drink tap water (without boiling it for five minutes first) until you know the water is safe to drink.

Should I take pictures of the damage?

Yes. Take a liberal amount of pictures from different angles before you make emergency repairs to protect the property from further damage. You may use a video/digital camera for this purpose, as well.

My home is too damaged to reside in. What do I do?

Contact your relatives, friends and church affiliates to see if they may be able to accommodate you temporarily. You also may want to seek help from the Federal Emergency Management Agency, the Red Cross, the Salvation Army or any other disaster recovery service organization.

Your homeowners policy typically will pay your additional living expenses to reside at another location until repairs to your home can be completed. The typical homeowners policy covers events such as fire, windstorm and tornado. Unfortunately, even if you have a flood insurance policy, your additional living expenses will not be paid when the damages are caused by flooding. Keep this in mind when you make your living arrangements.

What can I expect the adjuster to do when he or she arrives?

The adjuster will “scope” the damage, which is an important part of the claim process. An attempt will be made to determine the cause of damage—for example, was the damage caused by wind, flood or both? Next, the adjuster will itemize the property that has been damaged. You will want to make sure that nothing is overlooked. The placement of values on the damaged property will not occur at this time. Appraisals, repair estimates and inventories will be obtained later to establish values.

Often the adjuster will offer an advance payment on a covered claim so that restoration may begin and living arrangements can be made. Be sure to keep detailed records on how this money is spent.

Should I hire my own adjuster to assist me with my claim?

Public adjusters are paid a fee based upon a percentage of the claim settlement; typically, between 10 and 15 percent (state laws may apply). Consequently, you will need to decide whether the adjuster’s services are worth the discounting of your claim settlement. Some of the services public adjusters provide are preparing the scope of damage; preparing inventories; ensuring that coverage decisions are reasonable; obtaining repair or reconstruction estimates; assisting with the presentation of the claim; acting as appraisers and assisting with negotiations.

Our agency will help you with coverage issues and provide assistance in the claim process. If your property values are out of the ordinary or the sheer volume of inventory is burdensome to you, you may want the assistance of a public adjuster.

What if I do not agree with the property values upon which the insurance company is basing the loss amount?

It may just be a need for additional documentation. When you obtain the evidence that substantiates the property value, go back to the adjuster and negotiate a better settlement.

If the adjuster is being obstinate and unfair, you can request to talk to the supervising adjuster. Our agency will advocate on your behalf to the extent possible.

If you are unable to negotiate further with the adjuster, there is an “Appraisal” provision in your policy that specifies a procedure for resolving differences in the valuation of property losses. You and the insurance company each will get an appraiser at each parties’ own expense. Then those two appraisers will choose an umpire (whose fee is shared). An agreement by any two of the three appraisers will establish the amount payable.

Any time you feel your insurance company is not treating you fairly, you may file a complaint with the Insurance Department.

5-12 Planning for the interruption of business operations

What is business interruption insurance?

As we all witnessed on Sept. 11, 2001, catastrophes can happen suddenly. When the property of a business is destroyed, or access to business property is denied, there follow two potential consequences. One, business operations cannot resume, in whole or in part, until the property is restored. And, two, some or all of the operations can continue only by the acquisition of another location. Business interruption insurance is designed to help in both situations; “business income coverage” for lost income and the payment of continuing expenses if operations cease, and “extra expense coverage” if operations can continue at a substitute location.

What triggers business interruption insurance?

Standard insurance policies require that property located at the business premises be physically damaged by a covered cause of loss. The business owner selects the covered “causes of loss” from the perils offered by the insurer at the time the policy is written. If your policy does not provide coverage for terrorism, for example, there will be no coverage for business interruption due to terrorism. And, although damage may occur due to a covered cause of loss, if the damaged property is located somewhere other than on the insured’s premises, the business interruption loss is not insured under the basic coverage.

How are coverage limits established?

It is not a simple process, which is why you hear about inadequate coverage stories emerging from catastrophes like the Sept. 11 attack. In order to choose a limit for business income coverage, you must project future income and expenses one year in advance and identify the maximum length of time it will take to restore your property (called the “period of restoration”). For extra expense coverage, you will need to determine all the extraordinary costs that will be incurred to maintain operations at another location. Adequate financial records are necessary to establish these limits and support any claim presented under these coverages properly.

What if I’m still losing income after my property has been restored?

On most policies, business income coverage automatically is extended 30 days after the property is restored (or should have been restored). For additional premium, this extension can be increased up to 730 days.

How do I recover lost income if civil authorities deny my customers and me access to the business premises, even though none of my property has been damaged?

The standard business interruption policy automatically provides three weeks of “civil authority coverage.” And, for additional premium, this time limit can be extended up to 180 days.

What if my property has not been damaged and I have not been denied access to it, but another business on which my business depends is damaged by a covered cause of loss?

Suppose you owned a lower Manhattan restaurant that got 80 percent of its lunch business from the World Trade Center. If “dependent property coverage” were purchased, the restaurant would recover lost income from the disruption of its business. This same coverage could likewise apply to a supplier of products or services, or a purchaser of products or services, that a business depends upon for continued operations. The difficulty is that you must specifically identify by location, ahead of time, the premises that you are dependent upon.

Our biggest concern is communications—what if our communications are disrupted by a covered cause of loss?

“Utility services coverage” can be purchased to protect your income, for example, in the event your phone lines are disrupted at your premises or in the event a specified supplier that you depend upon suffers a loss of power to its plant.

If the building my business leases was to be damaged right now, I would forfeit a very favorable lease. How can I protect against this loss?

There is available “leasehold interest coverage” that is designed specifically to recover much of the loss that can result from the termination of a favorable lease triggered by damage to the business premises.