

Coronavirus Business Interruption Insurance



COVID-19

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You might have taken out business interruption insurance to provide cover for instances where your business is no longer able to operate. The guidelines below, provided by the Channel Islands Financial Ombudsman (CIFO), will help you to think about the steps you need to take to make a claim and in particular, what to do if your insurance provider is not responding to your communications.

Steps to take when pursuing a claim with your insurer

1. Check if there is a policy exclusion for (a) an insured peril; (b) disease; or (c) force majeure that might nullify the claim

It is important to determine what specific exceptions there may be for circumstances covered by the policy. This will enable you to understand if the policy does or does not cover COVID-19 and other circumstances the business might be in.

2. Request a copy of the landlord's insurance policy

The policy may be held with a different insurer to that held by the business. Some business interruption policies may rely on the coverage of the landlord's policy for the property. Find out if any payment has been made to the landlord arising from the crisis.

3. Speak to your insurance broker

Sometimes, the insurer will direct claimants and complainants to deal with their broker in the first instance. In some cases, brokers may be able to get through to the insurer on priority call centre lines to inform them of the claim and seek guidance.

4. Speak to the insurer

Try to call, email, fax, or use the chat function available on some insurer websites to contact the insurer to make a claim. Try multiple different ways to get through to the insurer using all the communications methods that the company suggests. Keep a record of all your attempts to contact the insurer and keep a copy of any information that you provide to them.

Deciding to make a complaint

1. Check whether there is a limitation on the total amount payable under the policy

- Have a look at the total amount payable if your insurer were to pay out the claim to see if a successful determination by the CIFO would cover this.
- Note that the Ombudsman can make binding awards up to £150,000 for complaints found to have merit; any award beyond that amount is not binding on the insurer.

2. Review the final response to the complaint from the insurer/broker

If the business is dissatisfied with the final response, they should consider whether they wish to refer the matter to an Ombudsman scheme such as the Channel Islands Financial Ombudsman (CIFO) for Jersey and Guernsey insurers/brokers or the UK Financial Ombudsman Service (UK FOS) for UK-based insurers/brokers.

Continued overleaf...



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Making a complaint to the CIFO

1. If you are dissatisfied with the response of the insurer/broker, or if you are unable to contact them despite diligent attempts to do so, make a formal complaint to the CIFO.

- a. The complaint would ideally be in writing (so there is a record) and would describe what the complainant considers should have happened, together with details about what they believe would be a fair and reasonable resolution to their complaint.
- b. Document all attempts to contact the insurer. Keep copies of emails and note the date and time and number called of any attempts to reach the insurer and of any left voice messages. This will help in any subsequent review of the complaint.

2. Contact CIFO to make a complaint.

- a. An online complaint form is available at www.ci-fo.org. If necessary, a complaint form may be downloaded for completion that can then be sent via email.
- b. The complaint form asks for background details and whether the individual bringing the complaint has authority to do so on behalf of the business.
- c. Please include a copy of the final response letter in the submission to the Ombudsman.
- d. Note that CIFO can only deal with complaints from individuals or microenterprises (less than EUR 2 million per year turnover and fewer than 10 full-time equivalent employees).

3. Check if the insurer is based in the UK.

If so, it may be more appropriate to refer the potential complaint to the UK FOS. In the current situation, the best way to contact UK FOS is online at <https://www.financial-ombudsman.org.uk/>, by email at complaint.info@financial-ombudsman.org.uk or by telephone on **020 7964 1000**.

Together we'll keep business working.

Information kindly provided by



Please contact us at
info@jerseybusiness.je
for help and support.

