

## COVID-19 and Your Business

### Can Insurance Help? An Important Update.

Many business owners are currently experiencing losses in sales and closures which may lead to questions regarding business interruption coverage within property policies.

In March, we published a Risk Insight that noted that property insurance policies—and the resulting business interruption coverage—require physical damage by an insured peril to trigger a claim. And, that insurers are unlikely to view the introduction of COVID-19 as a direct cause of physical loss or damage.

### WE NOW HAVE AN IMPORTANT UPDATE TO SHARE.

On April 1, 2020, the Ontario Superior Court of Justice released a decision finding that loss of use in itself was sufficient to trigger coverage under the insured's property policy.

This is a ground-breaking decision, however, it is unclear whether it will be appealed.

While this case had no specifics regarding infectious disease, we believe that in light of the ruling, coverage for a loss resulting from a virus (COVID-19), cannot be ruled out.

### OUR ADVICE TO CLIENTS:

If you have experienced any COVID-19 related loss, including business interruption—with respect to the mandatory shutdown directives, **contact your insurance advisor to carefully review your policies or discuss submitting a claim to your insurer.**

### WHAT'S NEXT?

This is an evolving industry-wide situation resulting from an unprecedented event. As of today, we still cannot say if COVID-19 claims will be covered. Coverage analysis must be based on the wording within an insured's specific policy—and there are many nuances.

However, this ruling has changed the space, and we would recommend that clients contact their insurance advisor should they feel they have a claim to submit.

We will continue to track Federal and Provincial measures, and will provide updates on a regular basis to support you and your business through this pandemic.

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If you have questions specific to your business, or would like additional information, please reach out to your Partners Indemnity Advisor.

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LET US HELP YOU MANAGE YOUR RISK

3385 Harvester Rd., Suite 210  
Burlington, Ontario L7N 3N2  
1 (855) 681-7069

partnersindemnityburlington.com  
navacord.com  
dbilancia@partnersindemnity.com