

INFORMATION SHEET: SMALL BUSINESS INSURANCE CLAIMS FOR PROTEST-RELATED DAMAGES

Recent protests have had a significant impact on small businesses across the country. Your business insurance policy may cover some of these protest-related losses. We have developed this information sheet to help you prepare to file an insurance claim, as well as to provide you with information on emergency grants.

CLAIM PREPARATION

- **Fully Document All Potential Damages and Costs**
 - Gather evidence of damage (photographs, news reports, security camera footage, etc.) in the vicinity as soon as possible, and while staying safe.
 - Do your best to quantify losses and preserve all information needed to calculate those losses:
 - **Physical Property Damage** (broken signs, shattered windows, stolen merchandise, etc.)
 - **Lost Profits** (monthly financial statements before and after the protests, etc.)
 - **Loss of Access to Property** (curfews, street closures, etc.)
 - **Upstream/Downstream Interruptions** (supply chain and customer interruptions, etc.)
 - **Mitigation Costs** (costs to secure property such as boarding windows or moving stock, etc.)
 - **Additional Expenses and Other Costs** (claim preparation costs, etc.)

- **Review Insurance Policy/Seek Assistance with Review**
 - Review your insurance policy to determine **what kind of damages are covered**, whether there are any **exclusions or deductibles**, and if there are any **notice provisions** or other **deadlines/requirements** applicable to the filing of a claim.*
 - Examples of what your insurance policy may cover:
 - **Business Interruption:** lost profits resulting from property damage that slows down your business or requires you to shut down.
 - **Civil Authority:** lost profits in the event the government shuts down areas or streets leading to your business.
 - **Event Cancellation:** losses arising from cancellation or postponement of a scheduled event.
 - **Extra Expenses:** additional costs incurred to avoid or minimize a business interruption.
 - Confirm if there are any deadlines for providing notice to the insurer and submitting a proof of loss.

- **Contact Your Insurance Advisors or Broker**
 - Contact your insurance advisor or broker and let them know you would like to make a claim.
 - You may pose questions about coverage or deadlines to the broker, and a helpful broker may offer to review the policy and confirm the applicable coverages and exclusions. However, it is important to conduct your own analysis, too, and/or procure coverage counsel.**

- **Provide Notice Under Applicable Policies**
 - Notice of a potential claim can be provided through a broker, and counsel can assist with these and other communications with insurers.
 - Initial notice usually can be high-level, with details provided later.

- Insurance policies generally contain language requiring notice to be given “promptly” or “immediately” following the occurrence of damage. Some deadlines may be more specific, *e.g.*, within 30 days of the damage.

***You may not have a full copy of your policy!**

This is quite common for small businesses, and it is important to procure a full copy of your policy to evaluate coverage.

- To check, review the “Schedule of Forms” that appears at the beginning of the policy and make sure all of the listed forms are included.
- If you do not have the full policy, or are unsure, request a certified copy of the policy from the insurance broker from whom the policy was purchased.

****** Small businesses may qualify for coverage counsel on a pro bono basis and may reach out to the [Neighborhood Entrepreneur Law Project](#) at the City Bar Justice Center for additional information.

If Your Business Suffered Fire Damage or Vandalism:

- Immediately notify the broker to submit a claim, or notify the insurance company directly.
- Take pictures of the damage before conducting repairs.
- New York state law and many insurance policies require the policyholder to mitigate damages—do what you reasonably can to prevent the damage from worsening.

If Your Business was Shut Down by a Curfew:

- Immediately notify the broker to submit a claim or notify the insurance company directly.
- Determine whether any nearby property was damaged, considering that coverage under your policy may be triggered by damage within several miles of your business.
- Document nearby damage and keep track of locations.

NYC SMALL BUSINESS EMERGENCY GRANT PROGRAM

The NYC Small Business Emergency Grant Program provides grants of up to \$10,000 to small businesses (that had less than \$1.5 million in revenue in 2019) that have suffered physical damage as result of recent looting. Eligible businesses must register at the following website to be referred to a local partner organization: <https://www1.nyc.gov/nycbusiness/article/nyc-small-business-emergency-grant-program>.