

CLIENT UPDATE

This information was distributed to clients of Nexus on 17th February, 2020.

Please click on the following link ([here](#)) for information regarding risk management relating to Coronavirus. The article was published by one of our Underwriting Partners, Ansvar Insurance.

While this document looks at the potential problem from a more holistic risk management viewpoint, we feel it is worth commenting on some specific insurance matters. We should note that the opinions noted below are generally true but not always the case as Insurers have different wordings and interpretations.

The majority of insurance companies and policies do not provide protection for pandemic type exposures. *Why Not?* Much the same as War and Nuclear War exclusions, if they did cover pandemic situations it would most likely bankrupt the industry on a global basis.

Typically, but not always, the following will apply in the case of pandemic disease;

- Business Interruption/Loss of profits, is uninsurable.
- Travel Insurance policies which were taken out before COVID-19 was announced will respond accordingly. Travel policies taken out after the virus was announced only have limited cover, e.g. if you arranged travel and travel insurance knowing the risks of COVID-19 the chances are your cover will be very limited. Please note however that different insurers have imposed different effective (cut-off) dates so please contact your Broker to confirm whether your policy will respond.
- Liability policies (General Liability, D&O, Management Liability) may respond i.e. indemnify your business, where you are found to be liable in the event of a claim.

As with most matters around the issue of pandemic disease there are no “golden rules” and while the above represents some “general guidelines” they are all subject to individual interpretation and policy wordings.

As Insurance Brokers and Risk Managers, Nexus is taking important measures to mitigate the risk and further spread of COVID-19, the illness caused by the new Coronavirus.

Nexus has placed restrictions on all non-essential business travel, and furthermore, effective today, Tuesday 17 March, we have requested that a majority of staff work from home until further notice.

While skeleton staff may remain onsite in our offices, we are limiting the total number of colleagues in offices and leveraging our remote working technology to stay connected.

In addition, as a precautionary measure, we are restricting external guests from attending our

offices, and Brokers from attending face to face meetings with clients unless absolutely necessary, until further notice.

All these measures are being implemented to support the health and wellbeing of our people, our clients and our partners in the current environment.

Should you have any queries in relation to any of these matters please call your Nexus Broker.

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