



Dear Association Members and WOODsure Clients:

March 20, 2020

As COVID-19 continues to spread globally, WOODsure is taking actions in response to this unique and evolving humanitarian crisis to balance the safety and health of our colleagues, clients and distribution partners, while preserving business continuity and the quality of technical expertise and service that defines our company. We are monitoring developments closely, including following recommendations from the World Health Organization (WHO), the Centers for Disease Control and Prevention (CDC), as well as other local, regional and global health authorities.

It is our sincerest hope that you and your families are safe and doing well under these unusual and difficult circumstances. WOODsure is doing all it can to help our Association Members/Clients through this challenging time.

Below are some of the actions we are taking to ensure we are available to continue to serve your needs:

- Our national offices are closed to Public access; however, we have activated work from home strategies to protect the health and safety of our colleagues while ensuring continuity of client services.
- Our underwriting risk framework remains in effect and our underwriting capacity is fully available to meet our clients and distribution partners demands.
- Our team is available and providing our clients and distribution partners with support and information in response to questions about covered claims related to COVID-19,
- Loss Control Site Inspections and Field Underwriting activities has been limited for the most part and we are working on solutions to continue to provide these services virtually or in some other fashion.
- Claims will continue to be handled as usual via our internal or AIG's adjusters

We encourage our clients to continue to take all necessary and prudent steps to mitigate loss. During this time, if you need to close your facilities, please take measures to reduce the chance of water damage (turning off non-fire fighting water supply), fire and theft/vandalism. Where possible, try to have someone checking on the property every 72 hours. If your site is unoccupied for over 30 days we will need to be notified prior to ensure coverage can be extended (certain conditions may apply).

Many of you have already inquired, and those that haven't likely are curious, on how or if their policy will respond to COVID-19. Industry consensus at present is there would not be coverage afforded with the main cited reason being there has to be direct physical loss or damage to your premises. An example of this is if there was a fire to your premises, it would trigger the Fire policy (and business interruption if you purchased this coverage). However, if your facility was located on an island and a fire destroyed the bridge to the island, but otherwise no direct damage occurred to your facility, there would be no coverage. Another reason there would likely be no coverage is that there are exclusions for many perils which are often considered uninsurable due to the sheer magnitude of losses which would otherwise cause the worldwide collapse of the insurance industry and/or require premiums substantially higher than have been paid historically. These exclusions include War, Terrorism, Nuclear and Virus.

There are a number of insurance articles out on this matter and we, or your local broker, are here to answer any specific questions you may have. See the following link, which will hopefully help explain the current consensus and outlines different scenarios.

<https://www.jdsupra.com/legalnews/commercial-property-insurance-coverage-70094/>

WOODsure remains committed to serving you and your business needs and as of present we are fully operational for Underwriting and Claims services. Even when circumstances create challenges, our commitment and dedication to you remain the same. Thank you for your continued business. We stand ready as your Industry Partner to assist and support you now, and in the days ahead.

In the meantime, remain diligent, follow suggested ways to keep yourself, family and staff safe.

Best regards,

Mark Parry
CEO
WOODsure