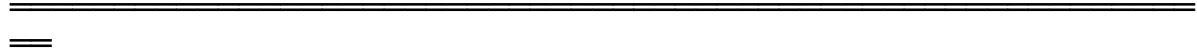


## COMMERCIAL PROPERTY CLAIMS GUIDELINES

### Quick Reference for Adjusters



## COMMERCIAL VS. RESIDENTIAL DIFFERENCES

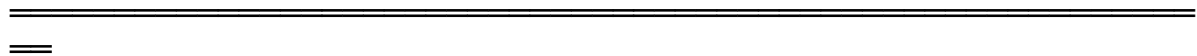
### KEY DISTINCTIONS:

#### COVERAGE AMOUNTS:

- Commercial policies typically 2-3x residential limits
- Business interruption coverage unique to commercial
- Equipment breakdown coverage often included
- Liability limits much higher

#### PROCESSING REQUIREMENTS:

- All commercial claims require manager review
- Business financial records must be reviewed
- Lease agreements must be obtained
- Business licenses verified



## BUSINESS INTERRUPTION CLAIMS

### COVERAGE TRIGGERS:

- Physical damage to insured property
- Inability to operate business
- Revenue loss documented
- Ongoing expenses during closure

#### DOCUMENTATION REQUIRED:

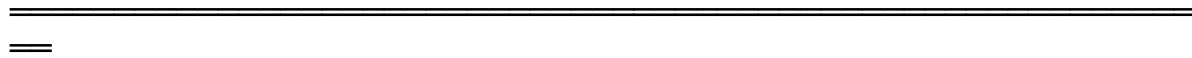
- ☐ Previous year's tax returns
- ☐ Profit & loss statements (last 12 months)
- ☐ Current year-to-date financials
- ☐ Payroll records
- ☐ Accounts payable/receivable
- ☐ Lease/mortgage statements

#### CALCULATION METHOD:

1. Establish baseline revenue (average monthly)
2. Calculate actual revenue during closure
3. Determine net income loss
4. Add continuing expenses (rent, utilities, payroll)
5. Subtract expenses saved during closure

#### TYPICAL TIMELINES:

- Small business (< 10 employees): 2-4 weeks
- Medium business (10-50 employees): 1-3 months
- Large business (50+ employees): 3-6 months



#### EQUIPMENT AND INVENTORY CLAIMS

##### SPECIALIZED EQUIPMENT:

- Requires expert valuation
- Replacement cost vs. actual cash value
- Age and condition documented
- Maintenance records reviewed

#### INVENTORY LOSS:

- Physical count required (if possible)
- Purchase invoices for verification
- Sales records for volume verification
- Perishable vs. non-perishable categorization



#### APPROVAL AUTHORITY LEVELS

#### COMMERCIAL CLAIMS REQUIRE HIGHER AUTHORITY:

SUPERVISOR: Up to \$100,000

MANAGER: \$100,000 - \$500,000

DIRECTOR: \$500,000 - \$1,000,000

VP: Over \$1,000,000

All commercial claims over \$250,000 require:

- Independent adjuster review
- Certified public accountant review (for BI claims)
- Attorney review of contracts



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