

# General Liability Policies

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## Hurdles (Exclusions) to trigger coverage

- Occurrence Policies – date certain
- Tough to prove Causation
  - Caused By
  - Resulting From
  - Arising Out Of

# General Liability Exclusions

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- Exclusion of Loss Due to Virus or Bacteria (CP01400706)
  - Added to most policies after SARS and EBOLA Outbreaks
- Communicable Disease Exclusion
  - Based upon or arising out of the exposure to infected Individuals or animals

# General Liability Exclusions

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- Expected or Intended Injury
  - “Bodily Injury” or “Property Damage” expected or Intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” resulting from the use of reasonable force to protect persons or property.



# Directors and Officers Hurdles (Exclusions)

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Exclusions Applicable to all loss. The insurer shall not be liable to make any payment for Loss, and shall have no duty to defend or pay Defense Expenses in connection with any claim made against an Insured:

Based upon, directly or indirectly arising out of, or in any way involving any:



# D&O Exclusions

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- Bodily Injury Exclusion – GL Coverage
  - “actual or alleged bodily injury, sickness, disease..”
- Damage to tangible property, loss of use, or destruction or deterioration of any tangible property; or failure to supervise, repair or maintain tangible property.

# Tort Immunity

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- Tort Immunity passed presently
  - Only applies to Unit Owners and their Spouses
- Local Legislative Immunity Protection
  - Will give protection to Associations
  - Defense will still need to be provided for claims
    - Should reduce number of claims but potential still exists
    - Still not covered by insurance
- Federal Immunity
  - Focused on providing Business Interruption
    - TRIA, NFIP, and CROP Models

# Next Steps

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## Steps to Take to Protect Association

- Develop a written plan on managing an outbreak
  - Appoint a “Covid Ambassador”
  - Determine how/who to notify of positive tests
    - DO NOT DISCRIMINATE
    - Follow local, state, federal, and CDC guidelines
- Communicate in Writing and Often
  - Whether you decide to open amenities or close them
  - Use “Reasonable Business Judgement”
    - Fiduciary duty-good faith, loyalty, or due care

# Claims

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## Increased Claims Activity since COVID

- Property Claims
  - Water damage claims
    - Toilet Overflows
    - Pipe breaks
    - Washing Machine Hose breaks
    - Hot Water Heaters
- Cyber Claims
  - Ransome Attacks (average 50k+)
  - Social Engineering