The Greenspan Co./ Adjusters International
The *right* way to settle claims®

Lumber and Hardware Factors to Consider

Be sure to understand each of the following factors before engaging with the insurance company. Knowledge is the key to a successful claim outcome.

- What is my broker's/agent's role?
- Does the adjuster work for us or the insurance company? Why they can't work for both. It's a conflict.
- Warranties and Protective Safeguard requirements. What do they mean? Can I still collect if I am not in full compliance?
- How quickly can I get started rebuilding?
- What is the difference between a schedule of values and a schedule of limits?
- Does my risk manager have the requisite skill sets to negotiate a large property claim?
- Does the insurance company pay for professionals necessary to evaluate my claim? Are they working for me or them?
- What happens when the insurance company engages a forensic accountant? Who does that accountant work for?
- Is there coinsurance in my policy? What does it mean?
- What are extra expenses? What can be included? Can I use extra expenses to offset shortfalls in property coverages?
- How is actual cash value determined? Why should I care?
- Can I compensate employees who help with cleaning or restoration?
- Replacement properties. Lease purchase strategy. Is it good for me?
- Replacing versus repairing equipment/processing lines. Pros and cons.
- Is the insurance company using an independent building or equipment consultant to prepare a bid? Who are these consultants? Who are they working for? Do they only work for insurance companies?
- How does my policy address increased costs due to new codes? If my coverage is limited, what can I do about it?
- Will the insurance company pay for a construction manager?

- Should I have concerns as to how my insurer deals with pollutants - hazardous materials - lead & asbestos?
- Stock in the yard. How far from the building is coverage afforded? Measured from where?
- Are vehicles covered? What about engines and parts?
- How do smoke and the water used to fight the fire affect my machinery? Equipment? Computers? Other electronics?
- Valuation of raw materials. Work in progress. Finished goods. Methodologies employed.
- Can I recast my financial statements? If so, why?
- Do I understand why coinsurance clauses in loss of income coverage can lead to disastrous results when including labor expenses in the cost of goods manufactured and exclude those labor expenses in the business interruption evaluation?
- Credit for continuing sales. How are they calculated?
- Can I continue to pay my employees?
- What is the difference between Actual Loss Sustained and Sales Value of Production and how does it affect my claim?
- What are expediting expenses? How do they differ from extra expenses?
- How do I project lost sales? Sales declines?
- How do I project sales of new products?
- Can I use proformas/budgets to calculate loss of income?
- Federal grants and subsidies: are they considered income?
- Increased efficiency and productivity with new equipment. Does the insurance company get a “credit?”
- Temporary facilities. Portables. Hardscape. Temporary or permanent? How presenting my story can affect my recovery. Do I know my policy provisions?