

# Has Your Company Suffered Losses from the Recent Flooding, Oil Spill, or Volcanic Ash? Coverage May be Available Under Your Company's Insurance Policies

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If your company has suffered property damage or lost business as a result of recent catastrophic events – the extended closure of airspace due to volcanic ash from Iceland, the flooding of Nashville, Tennessee and surrounding areas, and the oil spill in the Gulf of Mexico – help may be on the way. While some insurance companies are already taking the position that coverage is not available for these losses, recovery for some companies is in fact likely, under the business interruption coverage often found in a property insurance policy. Whether coverage exists may depend on the business interruption language contained in your policy.

Physical damage to a business, such as water damage to a store in Nashville, may not be the only type of loss your property insurance covers. Insurance often also covers loss of business income. For example, if a business was forced to close or stop production because of physical damage to property, the inability to access property, or in response to an evacuation or curfew order, business interruption insurance may help. Business interruption insurance may also cover losses resulting from the closure of an insured company's key supplier or customer, if that closure caused the insured company to stop or slow production. And that may be true even if the insured company is hundreds of miles away from the physical damage.

For further information about business interruption coverage for losses suffered as a result of the recent volcanic ash, flooding, or oil spill, and tips on how to maximize the chances of insurance recovery, please see the [recent advisory prepared by Kelley Drye's Insurance Recovery attorneys](#).