



Property and Business Interruption Insurance Course: Risk Surveys, EML and BI Claims



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Introduction:

Property and business interruption insurance, covering risk surveys, EML estimates and BI claims, is the subject of this 10-day course for property underwriters, risk engineers and loss adjusters, ending with a Property and BI Risk Survey, EML Report and BI Loss Quantification Plan for a case industrial site. Insurers and adjusting firms often accept weak survey data, optimistic loss estimates and outdated sums insured, so large fire and breakdown losses arrive underpriced and BI claims are disputed. Nominees already grade risks, inspect sites or adjust losses, and teaching is by case study on survey files, valuations and trading records. CoreConcept Training Center delivers this property and BI insurance course.

Course Objectives:

- Grade industrial and commercial risks using the COPE survey method, fire load ratings and protection system checks
- Estimate PML, MFL and EML values for fire areas, including the BI downtime component
- Test sums insured, reinstatement valuations and declaration-linked BI bases for adequacy and average exposure
- Set gross profit definitions, maximum indemnity periods and machinery breakdown extensions that match the insured's operations
- Quantify BI losses from rate of gross profit, standard turnover, shortage in turnover and increased cost of working
- Track survey recommendations, loss estimate accuracy and underinsurance across a property portfolio

Target Audience:

- Property underwriting staff who grade, rate and accept fire, engineering and BI risks within delegated authority
 - Risk engineering and survey staff who inspect industrial sites and write risk improvement recommendations
 - Loss adjusting staff who measure material damage and business interruption losses after fire or breakdown
 - Technical reviewers who check survey reports, loss estimates and sum insured adequacy on property files
 - Claims accounting staff who prepare trading records and BI loss calculations for adjusters and insurers
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Course Outline:

Day 1: Property and BI Cover Structure and Exposures

- Named Perils Versus All Risks Property Wording Structure
- Material Damage Proviso Linking Property and BI Cover
- Reinstatement Value Versus Indemnity Value Basis Selection
- Property Exposure Map of Buildings, Plant and Stock
- Insurable Interest and Interdependency Map for Industrial Sites

Day 2: Risk Survey Frameworks and COPE Assessment

- COPE Survey Method for Construction and Occupancy Grading
- Fire Load and Combustibility Rating of Building Materials
- Passive Fire Protection Compartment and Separation Distance Checks
- Active Protection Review of Sprinklers, Detection and Hydrants
- Natural Catastrophe Exposure Screening for Flood, Wind and Earthquake

Day 3: Loss Estimates With EML, PML and MFL

- PML Scenario Assumptions With Passive and Active Protection
- MFL Scenario Assuming Failure of Active Protection
- EML Calculation Worksheet for Fire Areas and Values
- Separation, Firewall and Distance Credits in Loss Estimates
- BI Component of EML Using Downtime and Bottlenecks

Day 4: Sums Insured, Declarations and Survey Data Tools

- Sum Insured Adequacy Test Against Reinstatement Valuation
- Condition of Average Worked Example on Underinsured Values
- Declaration-Linked BI Basis and Premium Adjustment Mechanics
- Risk Survey Report Template and Recommendation Grading Scale
- Underwriting Risk Data Capture Sheet and Photo Log

Day 5: Guided Case Study on a Week-One Property Survey

- Case Warehouse Survey Using COPE Grading Sheet
 - Case Food Plant EML and MFL Scenario Exercise
 - Case Reinstatement Valuation and Average Exposure Review
 - Peer Challenge of Survey Recommendations and Risk Grades
 - Week-One Property Risk Survey Report Draft Assembly
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Day 6: Business Interruption Specialisms and Machinery Breakdown

- Gross Profit Definition Using Turnover Less Uninsured Working Expenses
- Maximum Indemnity Period Selection From Rebuild and Ramp-Up Timelines
- Increased Cost of Working and Economic Limit Test
- Machinery Breakdown Cover for Boilers, Turbines and Transformers
- Loss of Profits Following Machinery Breakdown Extension Wording

Day 7: Underwriting Controls, Wordings and Quality Assurance

- Underwriting Authority Matrix for Property and BI Lines
- Customers and Suppliers Extension Wording Review and Sub-Limits
- Deductible and Time Excess Structure for BI Losses
- Risk Improvement Recommendation Tracking and Warranty Conditions
- Peer Review Checklist for Survey and EML Reports

Day 8: BI Loss Adjustment and Stakeholder Communication

- Loss Adjuster Site Visit Plan After Fire Damage
- Rate of Gross Profit and Standard Turnover Calculation
- Shortage in Turnover Adjusted for Trends and Circumstances
- Savings, Salvage and Alternative Trading Clause Adjustments
- Interim Payment Schedule and Forensic Accountant Liaison Protocol

Day 9: Measurement, Benchmarking and Portfolio Review

- Loss Estimate Accuracy Review Comparing EML With Actual Losses
- Risk Grading Benchmark Across Occupancy Classes
- Underinsurance Ratio Monitoring Across a Property Portfolio
- BI Claim Cycle Time and Interim Payment Indicators
- Survey Recommendation Completion Rate and Loss Frequency Trends

Day 10: Case Study Capstone on a Property and BI Risk File

- Case Industrial Site Survey Applying COPE and Protection Checks
 - Case EML and MFL Estimate With BI Downtime Scenario
 - Case Sum Insured and Indemnity Period Adequacy Review
 - Case BI Claim Quantification From Trading Records
 - Property and BI Risk Survey, EML and Claim Plan Completion
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Skills You Will Gain:

- Industrial Risk Grading
- Fire Protection Evaluation
- Maximum Loss Estimation
- Valuation Adequacy Testing
- Gross Profit Analysis
- Machinery Breakdown Underwriting
- Turnover Shortage Calculation
- Property Portfolio Monitoring

Why Attend This Course:

- Deliver a Property and BI Risk Survey, EML Report and BI Loss Quantification Plan to the underwriting manager, risk engineering lead or adjusting principal
- Decide whether a site's protection, sums insured and indemnity period justify acceptance, terms or a risk improvement condition
- Avoid underpriced fire risks, unexpected average on large losses and prolonged BI disputes caused by weak trading data
- Coach colleagues on COPE grading sheets, EML worksheets and gross profit calculations used across the team

Conclusion:

Back at work, the participant hands the Property and BI Risk Survey, EML Report and BI Loss Quantification Plan to the underwriting manager, the risk engineering lead or the adjusting principal, who use it to set acceptance terms, capacity, risk improvement conditions and interim payment decisions. Surveyors and adjusters reuse its templates on live files. After the first renewal cycle or major loss, the unit should compare estimated and actual losses, recommendation completion and sum insured adequacy, then recalibrate its grading and EML assumptions.

Frequently Asked Questions FAQ:

What should participants know before a property and business interruption insurance course?

Participants should already underwrite, survey or adjust property risks and read basic financial statements. Bringing an anonymised survey report, valuation or trading record helps during the case studies.

How does a property and business interruption insurance course differ from a general insurance claims course?

It concentrates on one line in depth: risk surveys, maximum loss estimates, sums insured and BI quantification. A general claims course covers triage, coverage, reserving and recoveries across many lines without this survey and EML depth.

Why do property and business interruption insurance underwriters use EML and MFL estimates?

They show how large a single loss could be under different protection assumptions. MFL assumes active protection fails, while PML and EML assume it mostly works, guiding line size, reinsurance and risk improvement priorities.

What do participants take back from the property and business interruption insurance course?

Participants take back a Property and BI Risk Survey, EML Report and BI Loss Quantification Plan, plus a COPE grading sheet, EML worksheet, sum insured adequacy test and gross profit calculation template.
