



COVID-19 Update
To the Members of the Syracuse Builders Exchange
Earl R. Hall, Executive Director

Items of importance from March 31, 2020:

CARES Act Update

The Syracuse Builders Exchange (“SBE”) continues to receive inquiries from member employers about the Coronavirus Aid, Relief and Economic Security (“CARES”) Act and the many benefits offered to business owners and laid off employees.

Although the United States Senate and Congress passed last week, and President Trump signed into law on Saturday, the CARES Act legislation, banks were clearly ill prepared to handle questions from business owners on Monday and Tuesday. Lending institutions are developing protocols to assist business owners during the application process. The general consensus from the regional banking industry is that banks will be better prepared by the end of the week to address questions pertaining to the CARES Act.

SBE received today the attached Small Business Administration Paycheck Protection Loan application. If your bank has not yet sent this to you, please use this as a reference to help you better understand what you will need to supply and what you will be asked to certify. I suspect each bank will have their own on-line application process, so please continue to work with your banking institution to learn how to apply.

OneGroup has been a strategic partner for SBE, providing timely and informative material on many risk management and human resources related matters. Brett Findlay at OneGroup (with the support of Bob Teska of Bowers & Co.) provided the attached, easy to read summary of the CARES Act. In addition, Brett provided additional information on OneGroup’s commercial insurance, risk management and HR related services to help employers during a time of uncertainty.

It remains unclear, however, how construction industry employers will benefit from this legislation due to the complex nature of the industry. Please seek advice from your tax accountant and/or banking institution for specific guidance.

Essential vs. Non-Essential Construction

Over the past 2 days contractors continue to be confused about what is essential and what is non-essential construction. Empire State Development (“ESD”) has been ambiguous with their guidance, causing contractors across New York State to wonder which projects should continue and which projects must end. Below is the most recent guidance from ESD, which was issued on 3/29/2020:

“Local governments, including municipalities and school districts, are allowed to continue construction projects at this time as government entities are exempt from the essential business restrictions. However, to the greatest extent possible, local governments should postpone any non-essential projects and only proceed with essential projects when they can implement appropriate social distancing and cleaning/disinfecting protocols. Essential projects are those that have a nexus to health and safety of the building occupants or to support the broader essential services that are required to fulfill the critical operations of government or the emergency response to the COVID-19 public health crisis.”

“Construction in support of essential businesses is permissible, but only with appropriate social distancing and cleaning/disinfecting precautions. If those cannot be met, the project should be postponed.”

ESD Guidance on 3/27/2020: <https://esd.ny.gov/guidance-executive-order-2026>

Still not sure what to do?

- Seek a determination/waiver from ESD
- Request a determination from the public owner;
- Document everything;
- Review all contracts thoroughly;
- Put all interested parties on notice in writing;
- Seek advice of counsel

Webinar: COVID-19 HR Related Issues and CARES Act Specific to Construction Contractors

Wednesday, April 1st at 1:00 PM

Go to: www.syrabex.com

Click on: “Covid-19 Updates”

The impact of the coronavirus on the commercial construction industry has been enormous, impacting project owners, suppliers, contractors and employees alike. On Wednesday, April 1st at 1:00 PM, SBE will launch a taped webinar with our team at OneGroup to address:

1. Implications for Non-essential businesses
2. Furlough versus lay-off considerations
3. Families First Coronavirus Response Act (FFCRA)
4. CARES Act, business loans and unemployment implications
5. Employee benefits matters

An email reminder will be sent Wednesday morning to all members.

COVID-19 Related Happenings Across New York

Earlier today I participated on a conference call with my fellow Association Executives from Albany, Buffalo, Rochester, Poughkeepsie, New York City, Long Island and Mike Elmendorf of the Associated General Contractors. We shared stories of issues specific to our regions of New York State in an effort to identify items of concern uniform across the state. All items discussed were uniform concerns in each region, shared by all

of our contractors, however, New York City was different. In NYC, for those projects determined to be “essential”, construction workers are now beginning to voluntarily stay home. Some essential projects are no longer active due to lack of a workforce. Most if not all private construction throughout New York has shut down, along with all residential construction. Some companies are taking advantage of the “one employee only” per project rule where possible. Remember, fines are heavy per violation - up to \$10,000.

Some areas of New York reported a growing presence from the New York State Department of Labor (DOL) investigators reaching out to a few contractors questioning whether or not their services are deemed “essential” on projects they are working. In addition, the NYS Attorney General’s Office has reached out to contractors in Western NY asking the same questions. I suspect an increase in future inquiries from both during the month of April.

Tuesday has ended, but Wednesday will bring more challenges to our member employers. I applaud the thoughtfulness of construction industry employers as you continue to balance the safety and well-being of your employees, your contractual obligations to general contractors and project owners and what is in the best interest of your company. I’ve spoken to over 120 member employers over the past 2 weeks and the human element involved in your decision-making remains inspiring as the genuine care our members have for your employees and their families is evident.

SBE remains open for business so contact any of us for any support. I’m always available at ehall@sywabex.com, or my cell phone is (315) 420-4431. Feel free to call me any day at any hour.

A handwritten signature in blue ink, appearing to read "E. Hall". The signature is written in a cursive, flowing style.



B&C

**CARES Act -
Paycheck
Protection
Program (PPP)**

General Overview and Eligibility



- A **100% federally guaranteed loan program** (no credit risk to participating banks). An objective of the program: if employers maintain their payroll, the loans are forgiven. There will be no SBA fees. Loans will be available through June 30, 2020.
- General criteria for PPP eligible businesses and entities:
 - Businesses and entities in operation on February 15, 2020
 - Small business concerns, 501(c)(3)/501(c)(19) non-profit organizations, individuals operating as sole proprietorships, or as independent contractors, eligible self-employed individuals, Tribal business concerns, if they employ not more than the greater of:
 - 500 employees (**determined by physical location**)
 - If applicable, the SBA size standard in number of employees for the industry (NAICS code)



PPP Loan Size and Allowable Uses

- Loan size determination
 - Maximum loan is the average monthly Payroll Costs incurred during the 12-month period pre-funding multiplied by 2.5 *(250%)
 - Max loan amount of \$10,000,000
- Allowable Use of PPP proceeds:
 - Eligible Payroll Costs (as noted below)
 - Payments of interest on any mortgage obligation (which shall not include any prepayment of, or payment of, principal)
 - Rent (including rent under lease agreement)
 - Utilities
 - Interest on any other debt obligation incurred before the covered period

***Special rules exist for seasonal employers and businesses not in existence beginning 2/15/2019 and ending on 6/30/2019.**



Eligible and Ineligible Payroll Costs

- **Eligible Payroll Costs**
 - Compensation – Wages, salaries, commissions, payment of cash tips or equivalents
 - Paid time off – Vacation, parental, sick, medical or family leave
 - Allowance for dismissal or separation
 - Payments required for the provision of group health benefits, including insurance premiums
 - Payment of any retirement benefits
 - Payment of state or local tax assessed on the compensation of employees
- **Ineligible Payroll Costs**
 - Employee/owner wages in excess of \$100,000
 - Taxes imposed or withheld under FICA or Railroad Retirement and IRS Chapter 24 (income tax at source)
 - Compensation of employees whose principal residence is outside of the United States
 - Qualified sick and family leave for which a credit is allowed under Section 7001 and 7003 of the Families First Coronavirus Response Act



Loan Terms and Requirements

- Eligible recipients applying for a covered loan must make a good faith certification that the uncertainty of the current situation makes the loan request necessary to support ongoing operations, that the funds will be used to retain workers, and maintain payroll or make mortgage payments, lease payments and utility payments; during the period beginning on February 15, 2020 and ending on December 31, 2020, the eligible recipient does not have an application pending for the same purpose or duplicative amounts applied or received under a covered loan.
- Covered Loans used for an authorized purpose
 - **No Guarantee** – No personal guarantee is required
 - **No Collateral Requirement**
 - **Nonrecourse** – The SBA has no recourse against any individual shareholder, member or partner for nonpayment
 - **No Fees** – The SBA will not collect a fee from the recipient of a covered loan
 - **Complete payment deferment relief** of principal, interest and fees for a period of not less than 6 months and not more than 1 year
 - For amounts not forgiven, the maximum loan term is 10 years, the maximum rate is 4%, zero loan fees and no prepayment fees



Loan Forgiveness

- **Forgiveness Amount**
 - Calculated as the sum, during the 8-week period beginning on the covered loan origination date, of the following:
 - Payroll Costs (previously defined)
 - Payments of interest on any covered mortgage obligation
 - Rent (including rent under lease agreements in force before 2/15/20)
 - Covered utility payment
- **Reduction of Loan Forgiveness**
 - The amount of loan forgiveness may be reduced if there is a reduction in FTE's compared to the average FTE's employed per month for the period:
 - Beginning 2/15/19 and ending 6/30/19, or
 - Beginning 1/1/20 and ending 2/29/20
- **Loan Forgiveness Application**
 - Loan forgiveness applications provided to the lender will be subject to documentation requirements on verifying FTE payroll and pay rates and documentation supporting other costs and expenses included in the calculation(s)
- Any forgiveness is **excluded** from taxable income



Comments & Observations



- The banks will be inundated with requests and are not currently geared-up for this program, which was not anticipated
- The broad eligibility for businesses, straight-forward underwriting (100% federal guarantee) and need, will drive PPP demand and will make this an operational challenge for the banks
- Assuming a business can provide the good faith certification application requirement, we see no downside to participating as, some level of (tax free) forgiveness appears inherent in the program
- We suggest contacting your bank – or another SBA certified lender – as soon as possible
- For companies currently in shut-down or has furloughed employees – including those that have reduced employment levels under the NYS “Essential Business” restrictions – planning rehire dates in conjunction with the PPP loan origination date will be critical to maximizing any tax-free Forgiveness





Bob M. Teska, CPA, CCIFP
Partner, Bowers and Company CPAs
(315) 234-8157
rmt@bcpllc.com

Thank you!

To ensure compliance with requirements imposed by the Department of Treasury, we inform you any U.S. federal tax advice contained in this document is not intended for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing, or recommending to another party any transaction or matter that is contained in this document. **Please see your Bowers & Company Representative for recommendations on your specific situation.*



Paycheck Protection Program Application Form

OMB Control No.: 3245-
Expiration Date: 06/30/2020

Non-Profit <input type="checkbox"/> Vet Org <input type="checkbox"/> Tribal <input type="checkbox"/> Ind. Cont. <input type="checkbox"/> Self Employed <input type="checkbox"/>		DBA or Tradename if applicable	
Business Legal Name			
Business Primary Address		Business TIN (EIN,SSN)	Business Phone
			() -
		Primary Contact	Email Address

Average Monthly Payroll:	\$	X 2.5 equals Loan Amount:	\$	Number of Jobs:	
Purpose of the loan (select more than one):					
<input type="checkbox"/> Payroll <input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain): _____					

Applicant Ownership

List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN,SSN)	Address

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

Question	Yes	No
1. Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.	<input type="checkbox"/>	<input type="checkbox"/>

Applicants who are individuals and all 20% or greater owners of the business must answer the following questions. If questions (5) or (6) are answered "Yes" or question (7) is answered "No", the loan will not be approved.

Question	Yes	No
5. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole?	<input type="checkbox"/>	<input type="checkbox"/>
Initial here to confirm your response to question 5 →	_____	
6. Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)?	<input type="checkbox"/>	<input type="checkbox"/>
Initial here to confirm your response to question 6 →	_____	
7. <input type="checkbox"/> I am a U.S. Citizen <u>OR</u> <input type="checkbox"/> I have Lawful Permanent Resident status <input type="checkbox"/> No		
Initial here to confirm your response to question 7 →	_____	



Paycheck Protection Program Application Form

OMB Control No.: 3245-
Expiration Date: 06/30/2020

By Signing Below, You Make the Following Representations, Authorizations, and Certifications

REPRESENTATIONS AND AUTHORIZATIONS

I represent that:

- I have read the Statements Required by Law and Executive Order included in this form, and I understand them.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business related purposes as specified in the loan application.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.

For Applicants who are individuals and all Associates: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

CERTIFICATIONS

The Business and each 20% or greater owner must certify in good faith to all of the below by **initialing** next to each one:

- _____ Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.
- _____ The funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments; I understand that if the funds are used for unauthorized purposes, the federal government may pursue criminal fraud charges.
- _____ Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.
- _____ Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than twenty-five percent (25%) of the forgiven amount may be for non-payroll costs.
- _____ During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under this program.
- _____ I further certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.
- _____ I acknowledge that the lender will calculate the eligible loan amount using tax documents I have submitted. I affirm that these tax documents are identical to those I submitted to the IRS. I also understand, acknowledge and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Signature of Authorized Representative of Business

Date

Print Name

Title

Signature of Owner of Applicant Business

Date

Print Name

Title



Paycheck Protection Program Application Form

OMB Control No.: 3245-

Expiration Date: 06/30/2020

Purpose of this form:

This form is to be completed by the Applicant and all individuals identified below and *submitted to your SBA Participating Lender*. Submission of the requested information is required to make a determination regarding eligibility for financial assistance. Failure to submit the information would affect that determination.

Instructions for completing this form:

For purposes of calculating "Average Monthly Payroll", most Applicants will use the average monthly payroll for 2019, excluding costs over \$100,000 on an annualized basis for each employee. For seasonal businesses, the Applicant may elect to instead use average monthly payroll for the time period between February 15, 2019 and June 30, 2019, excluding costs over \$100,000 on an annualized basis for each employee. For new businesses, average monthly payroll may be calculated using the time period from January 1, 2020 to February 29, 2020, excluding costs over \$100,000 on an annualized basis for each employee.

The first section and questions 1-4 request information about the Business. Questions 5-7 are to be completed, signed and dated by each applicant who is an Individual as well as each 20% or greater owner of an Applicant Business. All parties listed below are considered owners of the Applicant Business as defined in 13 CFR § 120.10, as well as "principals."

- For a sole proprietorship, the sole proprietor;
- For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm;
- For a corporation, all owners of 20% or more of the corporation;
- For limited liability companies, all members owning 20% or more of the company; and
- Any Trustor (if the Applicant is owned by a trust).

Paperwork Reduction Act – You are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated time for completing this application, including gathering data needed, is 8 minutes. Comments about this time or the information requested should be sent to : Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416., and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Washington DC 20503.

Privacy Act (5 U.S.C. 552a) – Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. (But see Debt Collection Notice regarding taxpayer identification number below). Disclosures of name and other personal identifiers are required to provide SBA with sufficient information to make a character determination. When evaluating character, SBA considers the person's integrity, candor, and disposition toward criminal actions. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC Section 636(a)(1)(B) of the Small Business Act (the Act).

Disclosure of Information: Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act. The Privacy Act authorizes SBA to make certain "routine uses" of information protected by that Act. One such routine use is the disclosure of information maintained in SBA's system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for, or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. Another routine use is disclosure to other Federal agencies conducting background checks but only to the extent the information is relevant to the requesting agencies' function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses. In addition, the CARES Act, requires SBA to register every loan made under the Paycheck Protection Act using the Taxpayer Identification Number (TIN) assigned to the borrower.

Debt Collection Act of 1982, Deficit Reduction Act of 1984 (31 U.S.C. 3701 et seq. and other titles) – SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may: (1) report the status of your loan(s) to credit bureaus, (2) hire a collection agency to collect your loan, (3) offset your income tax refund or other amounts due to you from the Federal Government, (4) suspend or debar you or your company from doing business with the Federal Government, (5) refer your loan to the Department of Justice, or (6) foreclose on collateral or take other action permitted in the loan instruments.

Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) – The Right to Financial Privacy Act of 1978, grants SBA access rights to financial records held by financial institutions that are or have been doing business with you or your business including any financial institutions participating in a loan or loan guaranty. SBA is only required provide a certificate of its compliance with the Act to a financial institution in connection with its first request for access to your financial records. SBA's access rights continue for the term of any approved loan guaranty agreement. SBA is also authorized to transfer to another Government authority any financial records concerning an approved loan or loan guaranty, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty.



Paycheck Protection Program Application Form

OMB Control No.: 3245-

Expiration Date: 06/30/2020

Freedom of Information Act (5 U.S.C. 552) – Subject to certain exceptions, SBA must supply information reflected in agency files and records to a person requesting it. Information about approved loans that will be automatically released includes, among other things, statistics on our loan programs (individual borrowers are not identified in the statistics) and other information such as the names of the borrowers (and their officers, directors, stockholders or partners), the collateral pledged to secure the loan, the amount of the loan, its purpose in general terms and the maturity. Proprietary data on a borrower would not routinely be made available to third parties. All requests under this Act are to be addressed to the nearest SBA office and be identified as a Freedom of Information request.

Occupational Safety and Health Act (15 U.S.C. 651 et seq.) – The Occupational Safety and Health Administration (OSHA) can require businesses to modify facilities and procedures to protect employees. Businesses that do not comply may be fined, forced to cease operations, or prevented from starting operations. Signing this form is certification that the applicant, to the best of its knowledge, is in compliance with the applicable OSHA requirements, and will remain in compliance during the life of the loan.

Civil Rights(13 C.F.R. 112, 113, 117) – All businesses receiving SBA financial assistance must agree not to discriminate in any business practice, including employment practices and services to the public on the basis of categories cited in 13 C.F.R., Parts 112, 113, and 117 of SBA Regulations. All borrowers must display the "Equal Employment Opportunity Poster" prescribed by SBA.

Equal Credit Opportunity Act (15 U.S.C. 1691) – Creditors are prohibited from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

Debarment and Suspension Executive Order 12549; (2 CFR Part 180 and Part 2700) – By submitting this loan application, you certify that neither you nor any Associates have within the past three years been: (a) debarred, suspended, declared ineligible or voluntarily excluded from participation in a transaction by any Federal Agency; (b) formally proposed for debarment, with a final determination still pending; (c) indicted, convicted, or had a civil judgment rendered against you for any of the offenses listed in the regulations or (d) delinquent on any amounts owed to the U.S. Government or its instrumentalities as of the date of execution of this certification.

Coronavirus Updates on HR in the Construction Industry

Please join us for answers to your most pressing HR questions.

Join us for a virtual coronavirus update this
Wednesday, April 1, 2020 at 1:00 PM.

The coronavirus has wreaked havoc on all industries, including the construction industry, over the past three weeks. There are so many new challenges for employers, including understanding and managing the state and federal requirements as they apply to your workforce.

This session will provide practical information for contractors on how to approach the ongoing impact of Covid-19. We'll cover:

- **Implications for Non-essential businesses**
- **Furlough versus lay-off considerations**
- **Families First Coronavirus Response Act (FFCRA)**
- **CARES Act and unemployment implications**
- **Employee benefits matters**

OneGroup Presenters:

Alison Dunn, *Executive Vice President*

Casey Cone, *Senior Consultant*

Nate Bradley, *Consultant*

**Please watch your inbox on Wednesday for your link to the presentation.
We will send it to you via email.**

**Send us your questions in advance and we will do our best to answer them
during the presentation.**

Share your questions with us here: [Coronavirus Questions](#)

OneGroup is committed to being there for you and serving you in your time of need. Please don't hesitate to reach out to us with your questions or concerns.



Coronavirus Insurance Updates

How are insurance carriers providing relief?

Brett Findlay, Vice President, Construction and Business Risk Specialist, *OneGroup*

The market is evolving – quickly

As we continue to work our way through the struggles faced by businesses due to Coronavirus, as well as the changes to our economy, insurance carriers have, in certain instances, made adjustments to provide some relief to clients.

What are those adjustments?

Exposure Reductions – providing overhead reductions and premium relief

Billing Relief – increasing cash flow for the client and easing overhead burden

It is important to note that each insurance carrier's stance is different. For either of the two adjustments to be considered, you must submit a request. Each situation is being addressed on a case-by-case basis.

If either of the two adjustments above make sense for your organization, contact your agent to further the discussion.



Exposure Adjustments

Exposure is the mechanism for how your insurance policy is rated. Workers' compensation premium is calculated from payroll. Payroll is the exposure.

General liability premium can be calculated from various exposures, typically one of:

- 1) Payroll
- 2) Gross Receipts
- 3) Square Footage

Given how quickly everything is evolving, especially regarding essential and non-essential designations, carriers may provide exposure relief. If you anticipate your payrolls or gross receipts declining due to coronavirus, carriers may decrease those exposures on your current policy. By doing so, they are allowing you to decrease your current premium and ultimately lower your insurance costs.

It is important to note that exposures will still be subject to audit.



Billing Relief

In certain situations, specific insurance carriers have been willing to offer different options regarding their billing. Those options have included:

- 1) Deferred payments
- 2) Spreading current premiums due over future payments
- 3) Deferred Notices of Cancellation

Insurance carriers have been accommodating their clients' lack of cash flow due to the coronavirus. It is important to note that you *must* reach out to your agent in order to inquire about the availability of any of these options. They are not guaranteed and must be requested.

The insurance carriers are looking at every situation on a case by case basis and there is no uniform protocol. Carriers may not all approach these situations the same.



What can OneGroup do for you?

Most importantly, we are here and available for you. As we all learn to work and navigate through this unprecedented situation, please do not hesitate to pick up the phone and call us regarding your commercial insurance, risk management and HR questions.

We are here and available for the following:

- Commercial Insurance Needs
- Risk Management Questions & Concerns
- Workforce Planning – Furlough, Lay-Off Considerations
- Employee Benefits – Coverage Continuation for all Benefits
- Various Paid Leave Types
- Other HR Matters





Please contact us with any questions or concerns:



Brett Findlay, ARM

OneGroup

Vice President, Construction
and Business Risk Specialist

(315) 280-6376

BFindlay@OneGroup.com

