

Are you ready to mitigate the risk of disputes?

In the confusion and unpredictability that characterizes the economic impact of COVID-19, one outcome is certain: there will be a surge in disputes and contested claims. Organizations will need to act swiftly if they are to protect value for the future.

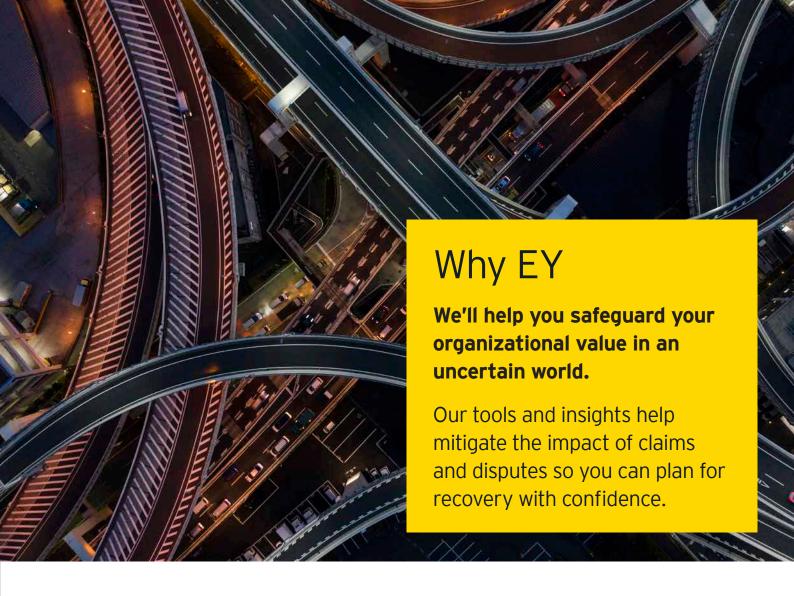
US\$203b

total projected loss to the insurance industry due to COVID-19.

Source: Lloyd's of London, May 2020

Value lost may never be regained

The likelihood of COVID-19 related claims is high. Companies must take action to identify and prepare now or risk eroding financial and reputational value.



Navigating a saw-toothed economic recovery

As the world's economy recovers, we envision a slow-paced, uneven recovery trajectory with varying rates of growth for sectors and geographies, and periods of acceleration offset by setbacks. This saw-toothed shaped return to growth demands organizations be more flexible and resilient and adapt fast. Protecting long-term value amid a likely surge in claims will require action today to identify and assess specific risks, frame the practical steps required and improve the prospects for better outcomes.



Adapt operations

- 1. Apply technology and leading-edge modeling techniques to develop a multidimensional view of the potential impact of the pandemic.
- 2. Accelerate the collection and analysis of exposurerelated data and documentation to inform scenario planning and develop potential mitigation strategies.

US\$4.3b

Expected pay out by Lloyd's of London to customers due to COVID-19.

Source: Lloyd's of London, May 2020

3. Develop plans based on the modeling and scenarios, and communicate these effectively to internal and external stakeholders (including regulators).

Increase resiliency

- 1. Develop a well-documented model of potential outcomes and responses, drawing upon diverse expertise.
- 2. Identify and prioritize key future commercial relationships how aggressively companies pursue legal claims may depend on whether commercial relationships are likely to continue.
- 3. Use insights and learnings to redesign processes and governance on commercial risks, and reassure governments and regulators.

US\$107b

Expected global underwriting losses in 2020 due to COVID-19

Source: Lloyd's of London, May 2020



Key actions

- Harness technology and specialist expertise to navigate these complex and unprecedented challenges.
- Accelerate the collection and analysis of data to inform planning.
- Use modeling of various "what if" scenarios to develop potential strategies.
- Identify and prioritize key future commercial relationships.
- Learn from the crisis to overhaul processes and the approach to risk.

Contact us to discuss how your company can build resilience against future claims and disputes.





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