

Business Closure Insurance

Settled?

The Situation of BI Claims in Germany
– The infamous Bavarian Solution

Christoph Brömmelmeyer



Business closure insurance: Bavarian solution for hotels and restaurants

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MUNICH Good news for restaurants and hotels in Bavaria that have business closure insurance, whose applicability in the context of the Corona pandemic is controversial. The Bavarian Ministry of Economic Affairs has now worked out a solution together with industry associations and insurance companies. The joint recommendation calls for insurers to assume between 10 and 15 percent of the daily rates agreed in each case of business closures and pay them to the restaurants and hotels. The following organizations and insurance companies have so far signed the recommendation:

Bavarian State ... DEHOGA Bavaria (an interest group representing hotels, restaurants, bars etc.) ... Allianz [...]

Other companies have already signaled their support. Minister of Economic Affairs *Hubert Aiwanger*: "From the point of view of all those involved, today's result is a viable and sensible solution for both sectors. The signal is clear: Bavaria will not abandon the owners of restaurants and hotels in the crisis."

Payment Proposal



Dear customer,

Thank you for your damage report.

In your report, you inform us that your business had to be closed ... to prevent the further spread of COVID-19. The losses, which affect society as a whole, are not insured under the business closure insurance. We are aware that in such a situation you need all the financial support you can get. Although we cannot offer insurance cover, we have found a joint solution with the help of government agencies. Our offer to you is to pay 10% of the daily compensation ... (max. for 30 days). We hope and wish that you'll be able to master the difficult situation with this help package.

Your

Insurance Company