Insurance Claims Analysis and Expert Testimony Services

Long International provides property damage, business interruption, advance loss of profits, and delayed start-up claims analysis services to insurance companies providing coverage and to owners who have experienced damage or delay to their plants as a result of fires or explosions or other covered events.

**Property Damage Claims**

- Assessment of the reasonableness of the insured's as-planned rebuild schedule
- Analysis of rebuild expediting costs not covered under the Property Damage policy but covered under the Business Interruption policy
- Assessment of rebuild scope of work and costs to determine if improvements and betterments inappropriately are included in the insurance claim
- Determination of the minimum “normal-paced” duration of the planned rebuild schedule
- Quantification of the rebuild expediting costs including:
  1) extra engineering costs required to expedite the rebuild project,
  2) extra labor overtime premiums,
  3) labor productivity losses due to extra overtime, shift work, crowding/high worker density, conditions, concurrent maintenance and plant expansion work, or performance problems and execution errors not covered under the insurance policy,
  4) extra construction equipment required to expedite the rebuild project, and
  5) extra project management and supervision costs required to expedite the rebuild project
- Assessment of whether concurrent turnaround and expansion project work also impacted the cost and duration of the rebuild project

**Business Interruption Claims**

- Preparation of detailed Critical Path Method schedule analyses to determine the impact of changes and other non-insured work on the duration of the rebuild project
- If a loss occurred during the construction of a new or revamped project, analysis of when the insured planned to begin production of saleable product prior to the insured event and whether that plan was reasonably achievable
- Determination of the “but-for” date of when the production of saleable product would have occurred absent the insured event
- Quantification of the delay duration to the start-up and production of saleable product that was caused by the insured event
- Assessment of whether other factors unrelated to the insured event, such as concurrent turnaround and expansion project work, also delayed the start-up

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**Extent of Fire Damage As Indicated By Inspection Reports**

<table>
<thead>
<tr>
<th>IR Number</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>IR 506</td>
<td>Inspection Report (IR) Number</td>
</tr>
<tr>
<td>0 1 02 03 04 010</td>
<td>Undamaged Component</td>
</tr>
<tr>
<td>0 1 02 03 04 010</td>
<td>Area of Possible Fire Damage</td>
</tr>
<tr>
<td>0 1 02 03 04 010</td>
<td>Area of Defined Fire Damage</td>
</tr>
<tr>
<td>0 1 02 03 04 010</td>
<td>Fire damage shown on Drawings</td>
</tr>
</tbody>
</table>

Scale in Feet

NORTH

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**Diagram of Fire Damage Extent**
Analysis of Insurance Coverage for Advance Loss of Profits and Delayed Start-up Claims

- Assessment of the effect of delayed events on the insured recovery of Advance Loss of Profits and Delayed Start-up Claims
- Preparation of detailed Critical Path Method schedule analyses to determine the impact of insured and non-insured delays on the duration of the construction project
- Determination of the “but-for” date of when the production of saleable product would have occurred absent delays not covered by the policy
- Quantification of cost overruns due to discretionary change orders and other costs not covered by the policy
- Evaluation of whether project delays and cost overruns existed prior to the execution of the insurance policy which, if not disclosed by the insured to the insurers, may void the policy

Reconstruction Cost and Schedule Performance Monitoring

- Monitoring of the schedule performance during the project reconstruction to identify significant schedule deviations and to evaluate the cumulative impact of changes on the time of construction
- Assessment of realistic mechanical completion and start-up forecast dates based on actual schedule performance during the project reconstruction

Litigation and Arbitration Support

- Monitoring of costs during the project reconstruction to identify significant trends and to evaluate the cumulative impact of changes on the cost of reconstruction
- Development of electronic document databases
- Preparation of expert witness reports and expert witness testimony
- Mediation support/testimony and preparation of trial or arbitration hearing presentation graphics, if necessary