

# **Recommended CLAIM PROCEDURES**

## **By: Rich Woldt**

### **Notification of Loss from the CU -->**

- CU calls CMG to advise of a claim OR they send in a N/O/L
- **Required Information to obtain during call to include =>**
  1. Name/Address/Phone Number of CU Contact Person
  2. Basic facts of loss - What, how, who and where ??
  3. (If some form of theft, required the CU report loss immediately to Police.)
  4. Establish a Date of Discovery as well as who and how discovered.
- CU can also submit claim via Mail, Fax or Internet

### **CMG Staff -->**

- Verify coverage by Product
- Establish that Date of Discovery falls within Policy Period in force
- CMG staff calls the CU to acknowledge receipt of claim (if sent in, faxed or rec'd by email) and obtains required information (noted above).
- CU staff sends a P/O/L to the Insured (\*\* there is no need to send a N/O/L if the initial call provides sufficient information on the facts of the claim)
- Set up a claim file (jacket) to house the information
- Assign a claim number - Inter Group
- Complete a preliminary Bond Claims Investigation Report (BCIR)

### **Assignment -->**

- CMG Staff transfers / delivers the claim to Finnigan for review (Ireland and UK)
- CMG Staff forwards information to Hamilton (Ireland)
- Any claim documents should be delivered to Steve for review (within claim jacket)

### **Finnigan - Make initial contact with CU (if facts are incomplete) -->**

- Call CU to confirm receipt of the claim and facts
- Establish how loss discovered and who made discovery - Confirm date of discovery
- Obtain any additional facts pertinent to the loss
- Verify / confirm coverage (i.e., if a Burglary claim, does the CU carry the Bond?)
- Provide instructions for future action
- Advise CU what documentation is needed to support their claim and what they should do
- If appropriate, ensure CU has notified the local authorities (Police)
- Send letter of notification to principal (if applicable)
- Recommend and establish a reserve (BCIR)
- Update the BCIR and electronically send to Przybelski, Hamilton (Ireland) and Slagel
- Allianz should also be advised and should receive a copy of BCIR
- Diary 30 - 60 days

### **---- > If claim under &2,500 --- > Finnigan owns the claim**

Steve has the authority to make coverage decision when the P/O/L and supporting information is received . If questions exist or any complications occur, Steve can consult with Madison as necessary. Once claim adjudicated, the BCIR should be completed and sent to Hamilton, Przybelski and Allianz. Any questions of coverage can be communicated with Przybelski or Slagel as needed.

### **---- > If claim &2,500 - &15,000 ---> Finnigan owns the claim**

Steve must communicate with Madison on all coverage decisions. This communication will include a review of facts to verify coverage and any decisions on what investigation is

needed will be jointly made between Finnigin, Przybelski and Slagel. Hamilton will need to be advised of all action (for losses in Ireland) and will participate in all communications that relate to the claim. Once the claim is resolved, Finnigin will complete the BCIR and forward to all parties, including Allianz.

**---- > If claim exceeds &15,000 ---> Przybelski / Slagel own the claim**

Przybelski and/ or Slagel will communicate with Padraig Croke (GAB Rollins) for an independent investigation and review. Finnigin and Hamilton will be fully apprised at all times. As Croke's investigation continues, he will communicate directly with CMG in Madison who will advise Finnigin, Hamilton and Allianz on his findings. Croke will provide regular status reports and updates as he investigates the claim and he will take his direction from Przybelski and/or Slagel.

**Investigation Procedure -->**

- Review facts to determine if preliminary (on-site) investigation is needed
- Consider avenues of recovery and make sure appropriate action taken to protect available assets
- Consult or work with the Police to assist with investigation
- If no immediate investigation needed, await the information from the CU
- Put on 30-60 diary (max.) and if no contact, call the CU to find out the status
- Once POL and supporting documents received, review for coverage
- As facts are discovered or determined, the reserve will be adjusted

**Claim Evaluation -->**

- The claim should be evaluated (1) from the information submitted by the CU, (2) from the preliminary investigation conducted by CMG Staff or (3) from the investigation performed by Padraig Croke
- Evaluate the loss claimed and determine value - apply any deductibles or offsets to loss

**Negotiation & Settlement -->**

- Fully covered - Pay --> Finnigan to request payment from Allianz or CIS and Hamilton to deliver claim check to Insured (in Ireland).
- Not covered - Deny --> Steve to call CU to advise of no coverage and then follow up with a letter of explanation
- Partially covered -- Negotiate and resolve --> Hamilton to deliver check to Insured (in Ireland)

**Recovery -->**

If responsible party known --

- Have the authorities taken any action to pursue recovery?
- If no criminal action pending, hire solicitor to proceed civilly to collect the loss
- Steve to keep on 30 - 60 diary to monitor recovery action

The BCIR form below is a way to manage communication between offices and report facts about a particular loss... This report will represent a rolling summary of what takes place during that initial (notification) call, through the investigation of the claim and beyond payment to include all recovery action that is taken .. At the closure of a claim this report should fully summarize the life of the claim and what actions were taken at different points of time.