

## 1. Claim Process:

- Claim notification:
  - o Notification from Client
  - o Notification to Reinsurer
- Claim Processing and Investigation
  - o Appointing of Loss Adjuster/Forensic (if required)
  - o Lawyer Appointment (if required)
  - o Loss Defence
  - o Proof of Loss
- Claim Settlement

## 2. Claim notification

Client needs to notify to Forte within 30 days from the first discovery of loss/incidents or as per timeline stated in the policy.

Once we receive the notification from client, Forte shall notify our reinsurer (if any) immediately. most of the time, the policy has reinsurance claim control clause which the reinsurer will control the claims process and settlement.

### 2.1 Banker Blanket Bond

Client shall send all new notifications to Financial Lines Claim Unit. Client shall also include the following details:

- Insured name
- Policy number
- Date of loss
- Brief summary of facts and circumstances
- Anticipated quantum
- Details as to whether any forensic accountants have been appointed; if so, please provide details and a copy of any retainer
- Details of whether the Police have been notified; if so, please provide the incident number and contact details for the Police investigator

We'll also need the contact details of the person in client's company who will be dealing with the claim.

## 2.2 Directors' and Officers' Liability

Client shall send all new notifications to Financial Lines Claim Unit. Client shall also include the following details:

- Insured name
- Policy number
- Date of loss
- Brief summary of facts and circumstances
- Copies of any relevant correspondence including letters of demand
- Copies of pleadings
- Supporting documentation for the Insured Person's position

We'll also need the contact details of the person in client's company who will be dealing with the claim.

## 2.3 Professional Indemnity

Please send all new notifications to Financial Lines Claim Unit. Please also include the following details:

- Insured name
- Policy number
- Date of loss
- Brief summary of facts and circumstances
- A copy of any agreements or contracts in dispute
- Copies of any relevant correspondence including letters of demand
- Copies of pleadings
- Supporting documentation for the Insured Person's position

We'll also need the contact details of the person in client's company who will be dealing with the claim.

## 2.4 Cyber

Client shall send all new notifications to Financial Lines Claim Unit. Client shall also include the following details:

- Insured name
- Policy number
- Date of loss
- Nature of cyber incident including a brief summary of facts and circumstances
- Confirmation as to whether an IT specialist been instructed. If so, please provide details of the IT specialist and copies of any retainer.
- A copy of any IT reports or screenshots of the cyber incident

We'll also need the contact details of the person in client's company who will be dealing with the claim.

For Cyber ERM - Incident Response Process, please find attached

## 2.5 Other

Client shall send all new notifications to Financial Lines Claim Unit. Client shall also include the following details:

- Insured name
- Policy number
- Date of loss
- Brief summary of facts and circumstances
- Copies of any relevant correspondence
- Copies of pleadings (if relevant)

We'll also need the contact details of the person in client's company who will be dealing with the claim.

## 3. Claim Processing and Investigation

We encourage client to provide as much relevant information to us as possible. The more information client provides, the less likely it is that we will need to request further information from them. In the event that we do need to request further information from them or the information that they provide is incomplete, this may delay the time that it takes us to provide client with our decision on indemnity. For our understanding, processing and investigating the claims, we look forward to receiving the following information from clients:

### **Policy details:**

1. The Policy holder;
2. The Policy number;
3. The Policy period; and
4. Details of any other insurance that may be relevant to the claim.

### **Insured's details**

1. The full name of all individuals and/or insured entities/partnership who are claiming under the policy;
2. The position held by the individual/s with the insured entity.
3. If the insured entity is not the policy holder, they will need to provide documents that confirm the insured status of the insured entity (documents that confirm it is a subsidiary company, as defined in the policy).

### **Details about the claim**

1. A chronology of events and/or brief summary of the background to the claim. This should include:
  - the date allegations were first made against the individual or insured entity,
  - the nature of the allegations,
  - the identity and insured's relationship to the third party making the allegations,
  - a description of the professional services client provided to (or allegedly provided to) the third party, and
  - any response made by the insured to the third party's allegations.
2. If a letter of demand has been received, please attach a copy.

3. If proceedings have been commenced, please provide us with a copy of the letter of service and the originating process.
4. If client have any other court documents, please provide us with copies of those.
5. If client is aware of the value of the claim or can estimate it, please advise us of this.
6. Copies of any investigative reports, internal memorandums or correspondence that will help us understand the origin of the claim.

### **Retainer of defence counsel**

At Forte, we leverage off the size and strength of our reinsurer's global brand. Our reinsurer have negotiated agreed rates with top tier national firms, within the key competencies where it matters. Reinsurer's Professional Indemnity panel firms operate under their Litigation Management Guidelines and adhere to best practices. This ensures service standards are high and rates are market competitive. Once indemnity has been granted, Forte will refer client to one of our Professional Indemnity panel firms who will arrange a time to meet with client and discuss the defence of the matter. In the event that client have already retained their own solicitor, Forte reserves the right to assume conduct of the claim. This may include referring the ongoing defence of the matter to one of Forte's Professional Indemnity Defence panel firms.

### **Loss Adjustor/Forensic**

Depending on the complexity of case and advise from Reinsurer, we may appoint loss adjuster, accounting forensic or other expert to adjust the claims. We will also inform client if this has to be done.

### **Fidelity losses**

If client would like to make a claim under the Fidelity coverage, the information that we require to assess their claim is substantially different to the information that we require to assess a professional indemnity claim. The onus is on client to prove their loss under the policy.

Forte can assist client to identify the information and documents that client will be required to produce in order to prove their loss. When notifying Forte, they should provide us with as much detail concerning the loss or alleged loss, including the identity of the alleged perpetrator, the date on which client discovered the loss and the quantum (or potential quantum) of the losses sustained.

Following notification, we will work with client and assist in the preparation of their proof of loss. A proof of loss would usually require them to produce the following documents/information as a minimum:

1. A chronology of events which led to the discovery of the loss;
2. Affirmative proof that client have sustained a direct loss;
3. Affirmative proof that their loss was directly caused by the dishonest or fraudulent acts or omissions of a principal, partner, director or employee of the insured entity;
4. A complete description of the perpetrator's modus operandi (how he, she or they committed the dishonest acts/omissions or fraud);
5. Complete documentary evidence to support each transaction upon which client rely to show that they have sustained a loss, including but not limited to account statements, receipts, invoices, cheque requisitions, cheques, money orders, cash receipts etc;
6. Any internal investigative reports or documentation;

7. Any signed confessions;
8. Statements from all witnesses; and
9. All statements made to the police.

#### **Client's duties after notifying us of a claim**

Once client have notified us of a claim, we ask that client continue to keep us updated with respect to further information that may become available. Client must not admit liability or incur defence costs without Forte's consent. If client do admit liability, enter into a settlement or incur defence costs, this may affect their claim.

#### **4. Claim Correspondence**

After receiving notification of a new claim, we will:

1. Acknowledge receipt and assign a dedicated claims specialist, who will contact you within 2 business days.
2. Advise whether further information is required to consider coverage within 10 business days following receipt of your claim.
3. After receipt of all requested information, we will promptly advise you whether the policy responds.
4. If the claim is covered, we will keep in close contact with you to assist with the management of your defence.

#### **5. Claim Settlement**

Once the claims is finalized and confirm payable, Forte will pay the payable ament within 14 working days.