

**Q & A Hurricane Katrina - General ALE**

**What makes a home uninhabitable?**

This question is determined on a case-by-case basis. There must be physical damage to the home caused by a loss we cover. Because Allstate is concerned first and foremost with the safety and welfare of its customers, key issues to consider after we have determined there is a covered loss are:

- Can the customer still cook and reasonably carry on daily family living?
- Does the damage to the dwelling pose any safety concerns?
- Is there a medical condition that could be affected by the loss?

Overall, common sense and the safety of your customers should prevail in these situations. For example: The fact that several shingles have fallen off does not make a house uninhabitable. If, on the other hand, the several missing shingles are allowing water to enter the house, which in turn has caused the electrical system to short out, the house may be uninhabitable.

**I have not seen my house, and I cannot get to my house. However, I believe it is uninhabitable from the events of Hurricane Katrina. Am I entitled to Additional Living Expense coverage?**

As stated before, ALE can be provided when there is direct physical covered loss to the insured residence. Hurricane Katrina losses will present us with some unusual circumstances. Due to the extensive flooding there may be areas where a physical inspection of the property may not be possible for several days or weeks. In these circumstances we will provide an ALE advance based on the following criteria as determined by the Claim Adjuster:

- (1) The insured must tell us that he reasonably expects that his/her residence is uninhabitable.
- (2) The damage, as described by the insured, causing it to be uninhabitable is from a loss we cover; in this case that would usually be wind and/or wind driven rain.
- (3) The insured signs an Advanced Payment Agreement that indicates that Allstate will reserve our rights under the policy.

It should be noted that flooding is not a covered loss under the Allstate policy. If the insured states that the cause of loss is only from flooding and indicates there is no belief that wind caused any damage that would render the house uninhabitable then an ALE advance should not be offered to the insured.

If later investigation determines that the loss did not meet the criteria as stated above we will not make any further ALE payments but we will not ask for any reimbursement of previously paid funds.

**I have damage to my home from both flood and wind. Am I entitled to Additional Living Expense?**

As stated before, ALE can be provided when there is direct physical covered loss to the insured residence. The reason the insured's home is uninhabitable must be from a covered loss. If there is sufficient wind and/or wind driven rain damage to have rendered the house unlivable the insured is entitled to ALE payments. This Additional Living Expense payment would only apply to the time necessary to repair the damage caused by the covered loss. Other provisions in the policy may further limit this time. Flood damage repair should not be considered when calculating ALE.

**If you determine I'm entitled to ALE, how long can I receive these benefits?**

Payment for covered additional living expenses will be limited to the least of the following:

- (1) The time Period required to repair or replace the property we cover, using due diligence and dispatch; or
- (2) If you permanently relocate, the shortest time for your household to settle elsewhere;
- (3) 12 months

**Because I've had to move out of my house, I'm spending a lot more money on food and groceries. Will Allstate pay for this?**

Yes, additional food expenses are covered. Keep in mind, though, that ALE covers only the increase in expenses necessary to maintain your normal standard of living.

For example: If you usually spend about \$250 a week for your family's food and groceries (including any restaurant meals), and now you find you're spending about \$300 a week, Allstate will pay the \$50 in additional expenses.

**Will you re-evaluate our additional living expense claim if our incurred expenses are more than our advance?**

Yes. If a customer can provide receipts for reasonable increases in expenses then consideration will be given for additional payments. It is a good practice to encourage the customer to retain all receipts during this period, as they may be beneficial for tax purposes.

**Because I've had to move out of my house, I now have a longer drive to work and to take my children to school. Will Allstate pay a mileage allowance?**

Yes. If a customer has had to move out of his or her home due to a covered loss, Allstate will pay for the increased mileage @ 40.5 cents per mile, or the current mileage rate.

**Will Allstate pay for the moving and storage of contents?**

If it's necessary to move and store items to prevent further damages or complete repairs to the contents or dwelling, certain policies provide for Allstate to pay for this service.

**We need to board our pet since our home is uninhabitable. Will Allstate pay for this?**

Yes. Keep in mind, though, that ALE provides coverage for the *increase* in expenses necessary to maintain your normal standard of living. For example, if daily boarding costs are for housing, feeding and bathing your dog, we'd subtract from the ALE what it would normally cost to take care of your pet if you were still living at home.

**Since it's going to take a while to repair my home, will Allstate pay for me to lease a house or an apartment for a specified period of time?**

When dealing with time constraints, Allstate evaluates the situation on a case-by-case basis. Sometimes it makes more sense to lease a home or apartment than to stay in a hotel, but in general, agents should consult with a catastrophe claim team member before advising a customer on this issue.

**I am staying with a neighbor because my house is not livable. What supporting paperwork is needed to substantiate ALE payments?**

A host who is charging for room and board should provide documentation showing the cost being incurred by our customer. The host should sign and date the documentation, and the insured should retain the receipt.

**If a customer's home is uninhabitable, and she must move out while it's being repaired, will we pay the airfare to a second home that the insured owns?**

This type of situation is handled on a case-by-case basis. Our goal is to help the customer maintain his or her normal standard of living. If the customer has made this specific request, and if it makes good business sense, it would definitely be considered.

For example, if it costs \$3,000 for the customer's family to stay locally in comparable quarters while their home is being repaired, versus \$2,500 to fly the family to their second home out of state, then the airfare would be considered under ALE coverage.

**Do I have to wait for an adjuster to look at my loss before I can start repairs? Will Allstate pay for temporary repairs?**

We will reimburse for reasonable and necessary costs that customers incur for temporary repairs to protect covered property from further imminent covered loss (not to exceed the limit specified in the policy). If the repair is not urgent, the customer should wait for a catastrophe claim team member to review the property.

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Agents should inform customers that they are required to keep an accurate record of any emergency repair amounts. Also, keep in mind that most policies have a dollar limit on emergency repairs.

\* - Coverage varies by policy, so the information contained above may differ if a customer has a Deluxe or Deluxe Plus policy, versus a Landlord Package Policy or Basic Fire Policy. Remember the policy in effect at the time of the loss governs coverage. Encompass policy afford different ALE coverage provisions. Consult with a member of the Catastrophe Claim Team when in doubt.

September 2, 2005

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To: Claim Field Directors  
National Catastrophe Team  
Market Claim Managers  
Property Claim Process Specialists

Fm: Property Process Development and Mastery  
Senior Claim Managers  
John Barrett  
Jim Edens  
Steve Rankin

Re: Immediate ALE Assistance for Hurricane Katrina Victims

**Please distribute this to all MCO personnel working weekend duty immediately.**

Due to the mandatory evacuations and widespread devastation of Hurricane Katrina and the displacement of customer's throughout the country, a process has been developed to offer immediate funds to our customers at this time of desperate need.

Please refer to the below list of known mandatory evacuation areas:

**Louisiana**

The parishes of Acadia, Ascension, Assumption, Calcasieu, Cameron, East Baton Rouge, East Feliciana, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Pointe Coupee, Plaquemines, St. Bernard, St. Charles, St. Helena, St. James, St. John, St. Mary, St. Martin, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Washington, West Baton Rouge, and West Feliciana.

**Mississippi**

The counties of George, Hancock, Harrison, Jackson, Pearl River and Stone

**Alabama**

Mobile and Baldwin counties south of Interstate 10

**ALST-WEIS 0997**

**2 Week Civil Authority Mandatory Evacuation ALE**

- The two-week civil authority evacuation started August 29, 2005 and may continue through September 11, 2005. Please refer to the ALE document to determine ALE / two week civil authority coverage and how to determine the settlement amount. The adjuster should make every attempt to settle the claim for the entire evacuation period not to exceed 2 weeks.

The following options will be used to assist our customers in obtaining ALE checks for the mandatory evacuation period:

**Option 1 – (Check can be issued Immediately)**

- Refer the customer to a nearby MRU / Agent location as indicated in the link below:

[http://p-ccso/National\\_CAT/MegaCatDocs/2005Hurricane/MRU.doc](http://p-ccso/National_CAT/MegaCatDocs/2005Hurricane/MRU.doc)

**Option 2 – (Check can be issued Immediately)**

- If the customer is requesting a check today, and none of the MRU's are nearby, please refer them to any MCO throughout the country. MCO's are open Monday through Friday, 8:00 a.m. to 5:00 p.m., and on Saturdays from 8:00 a.m. to 2:00 p.m. The adjuster should determine the settlement amount by referring to the guidelines listed in the document above.
- Every effort should be made to establish or complete a loss report in order to provide the customer with the claim number and to issue any advance.

**Option 3 – (Every effort will be made to mail the check within 48 hours)**

- Complete the CAT Customer Inquiry Assistance Outlook Form, securing the appropriate information. Once submitted, the National Catastrophe Team will process a check or call the customer if additional information is required
  - Outlook
  - Tools
  - Forms
  - Choose Forms
  - Organizational Forms Library
  - CAT Customer Inquiry Assistance form

**Option 4 – (Every effort will be made to mail the check within 48 hours)**

- Refer them to 1-800-54STORM, option 2 - existing claim. The NCT Team will settle the ALE and mail them a check or contact the customer for additional information. Due to the high call volume, this could result in excessive hold times and is not the preferred handling method.

**ALE Requests – Other Than Mandatory Evacuation**

Due to the unusual circumstances in regards to determining ALE coverage for this event, requests other than non-mandatory evacuation ALE, should be handled by a member of the National Catastrophe Team.

**Option 1 – (Check can be issued Immediately)**

- Refer the customer to a nearby MRU location as indicated in the link below:

[http://p-ccso/National\\_CAT/MegaCatDocs/2005Hurricane/MRU.doc](http://p-ccso/National_CAT/MegaCatDocs/2005Hurricane/MRU.doc)

**Option 2 – (Every effort will be made to contact the customer within 24-48 hours)**

- Complete the CAT Customer Inquiry Assistance Outlook Form, securing the appropriate information. Once submitted, the National Catastrophe Team will process a check or call the customer if additional information is required
  - Outlook
  - Tools
  - Forms
  - Choose Forms
  - Organizational Forms Library
  - CAT Customer Inquiry Assistance form

**Option 3 – (Every effort will be made to contact the customer within 24-48 hours)**

- Refer the customer to 1-800-54STORM (1-800-547-8676) and choose option 2, existing claim. The National Catastrophe Team should handle ALE requests of this nature. Due to the high call volume, this could result in excessive hold times and is not the preferred handling method.

We have an agreement with (3) financial institutions that will allow a customer to cash a check without an established account at that location. These institutions are Wachovia/Southtrust, Regions Bank, and Bank of America. To reduce customer issues in attempting to cash these checks, please provide them with **your name and phone number** in an event that the bank may require verification of the validity of the check.

Please note: The customer will be required to present one form of valid identification to the financial institution

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### **How to Process the Paperwork**

#### **Countrywide handling of Hurricane Katrina ALE payments if you are handling outside the Jackson ROC:**

The MCO should issue a manual check to the customer and provide the instructions on where to get it cashed if necessary. After the insured leaves the adjuster who has settled the ALE claim should send an e-mail with the following information:

Address it to NCTCustomerCare

Subject matter should be: DD Coverage

The body of the e-mail contains the Claim Number and the Amount to Reserve.

This e-mail will go to the National Cat Team. They will open the DD coverage and set the reserve. Once this is done they will send an e-mail confirmation back to the adjuster. When this e-mail is received the adjuster should then code the accommodation check through Option 27 of the CCS Menu.

The concluding paperwork (receipts, check copies, etc.) should be sent via overnight mail to the following address:

**Allstate Catastrophe Center**  
**701 International Boulevard Suite 300**  
**Lake Mary, FL 32746**  
**Attn: ALE Unit**

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#### **Countrywide handling of Hurricane Katrina ALE payments if you are handling within the Jackson ROC:**

The adjuster should open the DD coverage and set a reserve that is adequate for the payment. If a manual check is used it should then be coded as normal but leave the DD coverage open. An FCP check can also be used.

The concluding paperwork (receipts, check copies, etc.) should be sent via overnight mail to the following address:

**Allstate Catastrophe Center**  
**701 International Boulevard Suite 300**  
**Lake Mary, FL 32746**  
**Attn: ALE Unit**

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**Where to mail your Paperwork**

All paperwork should be mailed to:

**Allstate Catastrophe Center  
701 International Boulevard Suite 300  
Lake Mary, FL 32746  
Attn: ALE Unit**

Thank you for your support of our customers. Please make every effort to assist these customers in their emergency needs. Please call us at the numbers below if you have any questions.

Regards,

John Barrett  
847-402-2057  
847-341-2010

Jim Edens  
847-402-0495  
770-616-0349

Steve Rankin  
847-402-2675  
847-687-1066

**ALST-WEIS 01001**

**Encashment Process for Hurricane Katrina / Rita Customers**

Allstate and Encompass customers can cash their checks for additional living expenses at any financial institution with which they currently bank. Furthermore, Allstate has made agreements with some key banking partners that will allow Allstate and Encompass customers who do not bank with these key partner institutions to still be able to cash their ALE checks at any of their bank locations throughout the U.S. without incurring a penalty. Customers will be allowed to cash checks if:

- the check is issued for an amount up to, but **not to exceed \$5,000**
- the check is **presented within 60 days of issuance**
- the customer **has sufficient and valid ID.**

**Helpful Information for communication to the claimant – by bank**

**Bank Name:** Wachovia Bank

**Branch location finder:** Phone: 1-800-WACHOVIA

Web: [www.wachovia.com](http://www.wachovia.com)

**Teller window transaction:** Instruct the claimant that they should follow these two steps should the teller initially be unwilling to cash the claim check.

- 1 – Ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe
- 2 – Finally, ask the Teller to call this person – who works for the bank - to obtain approval to cash the check:

Denise Shelton 1-800-590-7868 team #502 ext 89040

\*\*\*\*\*

**Bank Name:** SouthTrust Bank

**Branch location finder:** Phone: 1-800-225-5782

Web: [www.southtrust.com](http://www.southtrust.com)

**Teller window transaction:** Instruct the claimant that they should follow these two steps should the teller initially be unwilling to cash the claim check.

- 1 – Ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe
- 2 – Finally, ask the Teller to call this person – who works for the bank - to obtain approval to cash the check:

Denise Shelton 1-800-590-7868 team #502 ext 89040

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**Bank Name:** Regions Bank

**Branch location finder:** Phone: 1-800-REGIONS

Web: [www.regions.com](http://www.regions.com)

**Teller window transaction:** Instruct the claimant that they should follow these two steps should the teller initially be unwilling to cash the claim check.

1 – Ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe.

2 – Finally, ask the Teller to call this person – who works for the bank – to obtain approval to cash the check:

Dawn Smith 1-205-326-7795

\*\*\*\*\*

**Bank Name:** Bank of America

**Branch location finder:** Phone: CA 1-800-622-8731  
ID, WA 1-800-442-6680  
CT, MN, MA, NH,  
NJ, NY, PA, RI 1-800-841-4000  
All other states 1-800-432-1000

Web: [www.bankofamerica.com](http://www.bankofamerica.com)

**Teller window transaction:** Instruct the claimant that they should follow these two steps should the teller initially be unwilling to cash the claim check.

1 – Ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe.

2 – Finally, ask the Teller to call this person – who works for the bank – to obtain approval to cash the check:

Jeanne Cinquegrana 401-278-6463

\*\*\*\*\*

**Bank Name:** Hibernia National Bank

**Branch location finder:** Phone: 1-800-262-5689

Web: [www.hibernia.com](http://www.hibernia.com)

**Teller window transaction:** Instruct the claimant that they should ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe, if the Teller is unwilling to cash the claim check. This bank has an internal bank number to contact and does not have a specific bank individual to call.

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For **ALLSTATE CUSTOMERS** Only –

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**Bank Name:** Bank One / Chase

**Branch location finder:** Phone: 1-877-226-5663

Web: [www.bankone.com](http://www.bankone.com)

**Teller window transaction:** Instruct the claimant that they should follow these two steps should the teller initially be unwilling to cash the claim check.

- 1 – Ask the Teller to check with the Branch Manager to validate that this check can be cashed per the banking agreement in place for the catastrophe.
- 2 – Finally, ask the Teller to call this person – who works for the bank - to obtain approval to cash the check:

John Coyle 630-803-1260

Bank One Chase coverage includes the following states AZ, CO, UT, TX, LA, OK, IN, IL, WI, MI, OH, WV & FL (Does not include NY, NJ, or CT)

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**ALST-WEIS 01004**

## **Agent Communication Engineering Reports**

- We have begun the work of assigning engineers to inspect properties to determine the cause of loss and how those cause(s) relate to the damages incurred. This will be done to determine what portion, if any, of the loss was caused by wind and what portion, if any, was caused by flood surge.
- Allstate has selected the engineers to perform this work and they have been through the certification process. All of the engineers are following established protocols.
- The adjuster is responsible for the determination of the need for an engineer. This is done when cause of loss is not readily apparent.
- If the insured has already received an engineer's report we can use that report but Allstate may determine that an additional report will be needed.
- The engineer's report and/or the observations of the adjuster will be used to determine coverage and damages.
- The reports will not assign percentages of damage to the loss. Instead the reports will concentrate on the major structural components of the house and how those components were damaged and what caused those damages.

**Speaking Points**  
**State of Louisiana *The Road Home* Program**  
**For Internal Use Only**  
**Not Intended for Distribution Outside Of Allstate Insurance Co.**  
**Not for further distribution without permission**

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**General Information**

- The State of Louisiana introduced a program to assist citizens impacted by Hurricanes Katrina and/or Rita. It is called "*The Road Home*" and offered to Louisiana residents via a partnership between Governor Blanco, the Louisiana Recovery Authority, and the Office of Community Development. The program is funded by the U.S. Department of Housing and Urban Development.
- Through *The Road Home*, eligible homeowners affected by Hurricane Rita or Katrina may receive compensation for qualified losses. In addition, *The Road Home* program may provide loans to restore and construct thousands of rental properties through its Small Rental Property Repair Program.
- *The Road Home* Program application process includes requests for various types of information, including insurance settlement information.
- Allstate will work directly with the LA *The Road Home* Program to provide claim information directly to the program. It is not necessary to send individual claim information requests to Allstate or the National Catastrophe Team. However, if you receive a request for information, please fax it to the NCT at (866) 655-4857, and we will facilitate completion of the request directly with the LA *The Road Home*.
- Since this program is *not* affiliated with Allstate Insurance Company we are unable to provide details or other information. We encourage interested parties to visit the Louisiana *The Road Home* website at [www.road2la.org](http://www.road2la.org), by e-mail: [inquiry@road2LA.org](mailto:inquiry@road2LA.org), by mail: *The Road Home* Program PO Box 4549 Baton Rouge, LA 70821, or by phone: -888-ROAD-2-LA.

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**Allstate.**  
National Catastrophe Team

## ***STAFF Operational Guide***

### **STATEMENT OF CONFIDENTIALITY**

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### **STATEMENT OF COMPLIANCE**

All of our processes must comply with state laws, regulations and court decisions. To the extent that these procedures, processes, forms, scripts or other material conflict with state laws, state law will take precedence. The material in this manual must be modified or revised to conform to the applicable state law when implementing Allstate practices and procedures.

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05.22.05

## CUSTOMER SERVICE

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Remember the four "Es" of excellent customer service:

- Empathy
- Expectation
- Explanation
- Education

AND

Completely satisfy\* customers ... one claim at a time!

"If you don't take care of Allstate customers, someone else will!"

"Listen" to the customer first. Then adjust the loss.

The Allstate National Catastrophe Team (NCT) is here to provide the highest quality customer service to Allstate customers. The high standard of Allstate customer service must be maintained throughout the handling of each claim. It is our goal to have a completely satisfied customer on every claim handle.

The following requirements for customer service must be met on every claim:

- Initial customer contact requirements are outlined in the "Storm Issues" document.
- The claim representative to whom the claim was assigned must make contact.
- In some storms we will utilize Outbound Call notification. It is still the claim representative's responsibility to make contact per the Storm Issues guidelines.
- Every contact attempt must be documented in the diary until the customer is contacted.
- If initial contact efforts are unsuccessful, a contact letter/post card must be mailed to the customer within three days.
- On first contact, you should provide your customer with the following information:
  - \* Your name, title and company name and agent's name (for example: Hi this is John Smith Claim Service Adjuster with the National Catastrophe Team of Allstate Insurance Company. I'm calling on behalf of your agent, Jane Doe.)
  - \* Their claim number
  - \* Your voice mail number
  - \* Thank them for choosing Allstate for their insurance needs
  - \* The date
  - \* Availability of employee
- Every attempt should be made to return the customers call within 2 hours. If a return call cannot be made within 2 hours, all messages should be returned the same day they are received. Calls received after business hours, must be returned by the noon of the next day.
- A detailed message, by the claim representative, containing the above information, left on an answering machine or voice mail is considered a valid contact.
- All voicemail messages should be clear and concise. They should include the appropriate tone and inflection.
- Schedule appointments according to severity.
- Before leaving the customer, be sure that s/he is COMPLETELY SATISFIED with the handling of his/her claim. It's important to explain what they can expect from Allstate, ensure those expectations are set & met every time. It is also important to explain what action they must take, and that a QCR may contact them. Take time to listen carefully and answer all questions or concerns that they have.
- Review The "Keeping Customer Informed" training module ([http://p-ccso/national\\_cat/Training/CustomerInformedAdj.doc](http://p-ccso/national_cat/Training/CustomerInformedAdj.doc)). Some of the key elements to keeping the customer informed" are:
  - \* Being polite, courteous and professional
  - \* Spending sufficient time in each customer interaction to be sure that there are no areas of confusion or questions in a customers mind

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- Explaining insurance/claim areas in simple non-insurance terms
- Explaining your role and/or other's role in the process and how the claim will be handled.
- Concluding every conversation with an explanation of the next step in the process
- Concluding every conversation with a question: "do you have any questions for me?"

## **Adjuster Key Messages**

As an Allstate representative you are expected to familiarize yourself with the following media "Key Messages."

- At Allstate our top priority is to aggressively manage this catastrophe. For those customers who can't live in their homes we must quickly reach them to provide the funds that they need to purchase food, clothing and obtain shelter.
- Allstate is financially strong and sound. It's a public company, so I can't speculate on, or state the costs associated with this storm. Our media people can speak with you about that.

**Our Goal** is to provide Allstate customers with the great service that they need and deserve, and making sure that they are Completely Satisfied!!!

## **Voice Scripts**

Communication with our customers immediately following a catastrophe is a critical element of how well we meet our customers' expectations. It is important that realistic expectations regarding the claim process are conveyed to our customers from the very beginning.

Voice mail messages are a critical component of our customer communication. Your voice mail recordings and how quickly you respond to our customers' voice mail messages are critical elements that directly affect our customers' satisfaction. When recording your voice mail messages be sure to have a smile on your face that is reflected in your voice, as this may influence every conversation that you have with our customers.

### **Home Office and Cell Phone Voice Mail Process**

Immediately change your Home Office and cell phone voice mail messages to reflect your location when arriving at a CAT site (see script A.). There may be random audits on adherence to voice mail scripts.

#### **Script A - On Arrival At CAT Site**

Thank you for calling Allstate. You have reached the voice mailbox of \_\_\_\_\_ (your name.) I am not available to take your call at this time as I am currently meeting with another Allstate customer. Please leave your name, phone number, claim number and a detailed message and I will make every effort to return your call by the end of today. Documents may be faxed to me at \_\_\_\_\_. If you need immediate assistance please call our Customer Service Center at 1-800-547-8676. Thank you for choosing Allstate.

#### **Script B - During Turn Around (Vacation, Holidays and Illness) - But Returning To CAT Site**

Thank you for calling Allstate. You have reached the voice mailbox of \_\_\_\_\_ (your name.) I am temporarily out of the area and not available to take your call at this time. I will be returning on \_\_\_\_\_ (date) and will return your call at that time. Please state your name, phone number, claim number and leave a detailed message. Documents may be

faxed to me at \_\_\_\_\_. If this is an emergency, please call our Customer Service Center at 1-800-547-8676. Thank you for choosing Allstate.

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**Script C –Departure From CAT Site – Not Returning**

Thank you for calling Allstate. You have reached the voice mailbox of \_\_\_\_\_(your name.) I have been re-deployed to another location and therefore unable to take your call. If you need assistance with your claim, please call 1-800-547-8676 (**do not say 800-54-STORM**) where a qualified claim representative with access to your claim file, is available to help you. Documents concerning your claim may be faxed to 888-859-3946. Please include your claim number on all faxed documents. Thank you for choosing Allstate.

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## Customer Service Guidelines

<b>Appointments</b>	Appointment times should be arranged with the named insured so that an on-site, tabletop settlement can be accomplished. Appointments should be scheduled in order of severity.
<b>Dress Code</b>	Jeans, shorts, tennis shoes, and non-Allstate logo caps are never acceptable attire while handling Allstate claims or entering a local MCO. It is required that you wear Allstate logo clothing during business hours while working a catastrophe.
<b>Initial Contact</b>	<p>During the initial contact, set the customer's expectations for the claim handling process. This may include:</p> <ul style="list-style-type: none"> <li>• Determining if the claim can be processed via Express Claim Handling?</li> <li>• Temporary repairs</li> <li>• Property inspection</li> <li>• Keeping receipts and damaged property</li> <li>• Claim Payment</li> <li>• Begin repair process</li> <li>• Document diary as to when and to whom you speak</li> <li>• Document appointment dates and times in the diary</li> </ul>
<b>Magnetic Signs</b>	<ul style="list-style-type: none"> <li>• Use Allstate magnetic signs on your vehicle at all times during work hours. Remove the signs when not on duty.</li> </ul>
<b>Messages &amp; Pages</b>	<p>Return all messages by the end of the business day. Check your voice mailbox at least twice daily.</p> <p><b><i>Customer Service problems result from failure to communicate timely.</i></b></p>
<b>Office Hours</b>	Adjusters should set aside two hours each day to handle customer needs.
<b>Tabletop</b>	<p>The adjuster will develop a scope, write a repair estimate, and explain the repairs and the settlement process with the insured. The adjuster will leave the estimate and settlement check with the customer on the first inspection. If the adjuster leaves the inspection to check on a material price, etc. and returns the same day and completes the above criteria the claim will count as a "table-top" settlement.</p> <p>Tabletop settlements must be clearly documented. All efforts must be made to make a face-to-face inspection. It must be documented, when the insured refuses or is unable to make an appointment,</p>

## **Paperwork Process -- Catastrophe File Assembly**

**Staple Together the Following Items in Order,  
Item 1 On Top and Item 10 On Bottom:**

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Adhere to the following guidelines to properly process your paperwork.

1. Denial Sheet: On denial/partial denials identify the area of the policy substantiating the denial of coverage.
2. Estimate, clearly define damages, and indicate where damage is located.
3. Contents list including depreciation listed item by item, if applicable.
4. Full Replacement Cost (FRC) letter
5. Other supporting documentation.
  - Estimates and diagrams
  - Contractor bids
  - Old invoices
  - Customer's photographs
  - Neighbor's statements

Mail paperwork to the CAT Claim Office via overnight delivery. Remote adjusters: mail paperwork to the field CAT claim office via overnight delivery within 24 hours of writing a check. Adjusters who are working within driving distance of the field CAT claim office are to drop off their paperwork within 24 hours of writing a check.

### **Settlement Packet to Insured, Including Face-To-Face Settlements**

1. Settlement check(s) - be sure mortgagee is included if applicable
2. Estimate
3. FRC letter - if applicable
4. State mandated letters - if applicable
5. Polaroid photos - If applicable.

## File Examining Guidelines

<b>Advance Payments</b>	<p>If an agent or other representative has issued an advance payment on a file that you are working, a note is put in your mailbox. Confirm with the customer if s/he has received the payment. You must deduct advance payments from the total amount owed the customer at settlement.</p> <p>Complete Advance Payment agreements on each advance payment issued and submit it with the check copy on the green processing sheet within 24 hours of issuance.</p>
<b>Authorization</b>	<p>Become familiar with your file authority limit. Do not settle any claim with a <u>gross</u> dollar amount that exceeds your authority limit, without <u>prior</u> FPL approval.</p> <p><b>Gross settlement is the ultimate probable cost of a claim <u>before</u> depreciation and the deductible is taken.</b> The authority dollar limit is <b>NOT</b> based on the amount of the check.</p> <p>(Example): Your authority level is \$3,000. The estimate you wrote is for \$3,500 and the customer has a deductible for \$1,000. Even though the check is under your authority at \$2,500, you cannot issue the check until you have received file authorization for \$3,500.</p> <p>Never commit to any dollar settlement with a customer until you have received approval. Your request and the FPL's granting of authority must be properly documented in the diary showing dollar amounts per coverage.</p>
<b>Check In/Check Out Procedures</b>	<p>Your on-site FPL/Field Manager monitors your storm site check in, and check out. All travel in and out of the storm site must be communicated to a storm manager. It is important to update your voice mail messages with the appropriate script <b>before</b> travelling.</p>
<b>Checks</b>	<p>When issuing checks be sure to include: your ID, current date, the correct MCO code, peril type, date of loss, coverage and any state requirements.</p> <p>Submit check request forms 24 hours in advance of needing the checks. To obtain subsequent checks you must complete and return your check register and all voided checks to the National Catastrophe Center in S. Barrington, IL. Retain a copy of your check register for your records.</p> <p><b>Two packs of 20-checks each are issued to you</b> when you arrive on site. <b>Verify</b> that the log is accurate. Request more checks when you finish issuing the first 20 checks.</p>
<b>Check Security</b>	<p>When leaving the storm site for re-deployment check with the National Catastrophe Team Check Deployment staff to determine if your checks can be used at your next location. If your check stock cannot be used at your next location void all unused checks and return them with your check register to the National Catastrophe Center in S. Barrington, IL. Check security is your responsibility.</p> <p><b>DO NOT:</b></p> <ul style="list-style-type: none"> <li>• Leave checks unsecured</li> <li>• Leave checks in your luggage</li> <li>• Share checks with other adjusters</li> <li>• Allow others to turn in your checks.</li> </ul>
<b>Coverage</b>	<p><b>Informing Policyholders Of First Party Coverage Benefits</b></p> <p>Insured parties who have protection under first party coverages, should be informed in person or by telephone of the nature and availability of these coverages and benefits. Of course, if they are located too far from the claim office or do not have a telephone, written notifications should be given. In addition, some states may require that other notices or forms be provided to insured parties. Please make sure the adjuster knows the specific requirements of the state.</p>
<b>Denials/ Partial Denials</b>	<p>CSA Compliance governs this action. Denial letters must be sent, when required. A copy of the letter must be placed in the file.</p> <p>Adjuster determines that there is no coverage under the policy or finds no damage as</p>

	<p>reported on the loss report and informs the customer. The diary is updated to include the reason for the denial and the date the denial letter was sent.</p> <p>Adjuster completes the denial form letter specifying, type of policy and coverage involved, full or partial denial, loss cause, applicable exclusion and policy jacket reference (page number and paragraph).</p> <p>Adjuster must submit denials for FPL or designee to review. The file will be returned if information is Incomplete.</p> <p>FPL or designee, following approval, submits for generation of denial letter with NCC address. The contact phone number and signature are overridden with the following information:</p> <ul style="list-style-type: none"> <li>• Signature: Adjuster's name</li> <li>• Contact Phone number 1-800-806-5570 ext. 12020</li> </ul> <p>Letter is mailed to the customer and a copy of the letter is placed in the claim file.</p> <p>The adjuster must upload a CWP line item anytime an Integri assignment is involved.</p> <p>The claim file is shipped to the NCC in S. Barrington.</p>
<b>Documentation</b>	<p>Diaries are essential for NCC Representatives to respond to customer inquiries. Anyone reviewing your file diary should be able to understand exactly what has transpired during the handling of that claim. Therefore, update diaries as soon as possible – after-the-fact documentation is ineffective and considered an exception.</p> <p><b>Address Subrogation and Salvage on all claims.</b></p>
<b>Engineers</b>	<p>When an engineer is required, for purposes of causation, investigation, superstructure damage or when a code issue requires an engineer's expertise, of if you feel an engineer is required consult your FPL/FM. <b>Only on-site Managers can authorize the use of an engineer</b> and s/he must follow the Engineer-Vendor Process.</p>
<b>Express Claim Handling (ECH)</b>	<p>A claim can be settled as an ECH for a maximum of \$2500 GROSS, without inspecting the loss. You may only handle claims in excess of \$2500.00 gross with FPL, FM or MCM documented approval.</p> <p>ECH claims should be settled with the insured on initial contact, while the insured is on the phone. If research is required to complete the estimate, The research should be completed and a settlement with the insured attempted within 5 days. The check must be sent out within 5 days of settlement. The settlement must be a <b>Voice-to Voice</b> settlement The reason for the research must be clearly documented.</p> <p>Only the following roof losses can be ECH'd:</p> <ul style="list-style-type: none"> <li>• Roof losses where the customer has a paid a bill of \$2500 or less. Include the name of the contractor in your paperwork, and mark the estimate with "ECH".</li> <li>• Roof losses with a repair estimate (i.e. the work is not completed) that the adjuster can validate using the roofer's measurements and the NCT's estimating best practices. If the roof repair estimate is in excess of a \$1000.00 an adjuster should make an inspection.</li> <li>• Roof losses may be settled on a minimum charge basis, if the insured advises that only a few shingles are missing and that the insured will be making the repairs his/herself. At <u>no</u> time should the adjuster ask the insured to climb on the roof.</li> </ul>
<b>Mortgage Co</b>	<p>The mortgagee must be included on any loss payouts (after deductible and before depreciation) in excess of \$10,000 involving coverage's AA or BB or as outlined in the State Issues.</p> <ul style="list-style-type: none"> <li>• Verify the correct name of mortgagee with the customer. The current mortgagee may be different than the one on the L300.</li> <li>• Do not include payment for content settlements on checks with the mortgagee listed as payee.</li> <li>• The mortgage company does not need to be included on any supplement payment under \$1,000.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Management has approval to waive this requirement when appropriate. A diary entry explaining the waiver circumstances is required.</li> <li>• Local CSA guidelines will take precedent over this guideline. (The Storm Issues will address any variance to this requirement.</li> </ul>
<b>Photo Guidelines (Integri)</b>	<p>The photo guidelines are as follows:</p> <ul style="list-style-type: none"> <li>• One (1) photo of the front of the risk.</li> <li>• An appropriate number of photos to document the damages.</li> <li>• One (1) photo of any areas where damages are claimed but payment will not be made (i.e. denial of coverage, no damage, etc.).</li> <li>• An appropriate number of photos illustrating the cause or origin of loss, if possible.</li> <li>• When taking a close-up picture of damages place a "frame of reference" item in the picture so the viewer can relate the size of the photo. A pen, coin, or ruler is a good choice.</li> <li>• Take pictures at proper angles so the viewer can understand the photo.</li> <li>• On roof claims, take a picture of the "test square" to illustrate damage when there is no damage.</li> </ul>
<b>Prior Claims</b>	All priors identified on the MSB/L300 assignment must be reviewed and documented as to the relationship to the current claim.
<b>Reserves</b>	Timely reserve adjustments are required by staff adjusters; complete and submit the green processing form promptly after receiving information requiring a change.
<b>Salvage</b>	Record salvage on the MCO's salvage log and dispose of salvage timely. Discuss salvage with your FPL if it becomes an issue. <b>Never collect a salvage item yourself.</b>
<b>SBA Assignment Letters</b>	<p>Following a catastrophe there may be instances when an Allstate customer applies to the SBA for assistance in the form of a loan. Customers who apply for SBA loans are required to sign an "Assignment of Insurance Proceeds" form that gives the SBA the <i>legal right to be listed as a co-payee on all future claim checks.</i></p> <p>The SBA sends a copy of this Assignment Letter to Allstate. Once Allstate receives the Assignment, if any claim check goes out without the SBA listed as a co-payee, Allstate <u>may be required</u> to make additional payments to the SBA.</p> <p>It is not uncommon for the claim department/claim personnel and/or agent to receive calls from the customer or the SBA regarding how to forward this information to the appropriate claim file.</p> <p style="text-align: center;"><b>SBA Notification Process</b></p> <ul style="list-style-type: none"> <li>• If you receive an Assignment of Insurance Proceeds letter from the U.S. Small Business Administration, you have two options: <ul style="list-style-type: none"> <li>➢ If received in an <i>email format</i> – Forward the electronic transmission immediately to the new Outlook address of 306-SBA. Employees in the National Catastrophe Center (NCC) monitor this Outlook folder.</li> <li>➢ If received in a <i>hard copy format</i> – Fax the letter immediately to the Allstate National Catastrophe Center (NCC) at 1-888-295-5657, attention SBA Coordinator. The fax transmission will be sent automatically to the appropriate personnel at the NCC.</li> </ul> </li> <li>• It is important that you fax all pages of the Assignment of Proceeds notice <u>on the date</u> you receive it.</li> <li>• If you cannot fax it on the same day, then please indicate on your fax cover sheet or the email transmission of the date that you did receive the assignment letter.</li> <li>• Please ensure that there is sufficient information in your transmission to identify the customer and/or the claim number.</li> </ul> <p style="text-align: center;"><b>Federal Emergency Management Association (FEMA) Requests</b></p> <p>The above referenced notification process can be used for ANY requests that are received from FEMA. These may be for any of their assistance programs or for requests to send other documents/items to a catastrophe claim file.</p>

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	The personnel at the NCC will handle these types of requests along with any SBA requests.
<b>S.I.U.</b>	Local Allstate employees investigate losses involving unusual factors. If a loss is suspicious contact the storm manager.
<b>Subrogation</b>	<p>A comment regarding subrogation, whether "yes" or "no" must be entered into the diary. Bring to the attention of the storm manager any files with subrogation potential. Potential subrogation files have damage or extent of damage that would not have occurred if type and style of construction were proper.</p> <p>The adjuster must open subrogation and flag the process sheet.</p>
<b>Underwriting</b>	<p>Complete an underwriting referral when identifying risks that are:</p> <ul style="list-style-type: none"> <li>• Unusual</li> <li>• Under-insured</li> <li>• Over-insured</li> <li>• Liability</li> <li>• Condition</li> <li>• Business</li> <li>• Ongoing losses</li> <li>• Discuss other situations with FPL</li> </ul> <p>Enter observations on the system via Outlook Forms process.</p>
<b>Vendors</b>	Contractors are not recommended during an event. If you need assistance from a local MCO vendor consult your FPL.

### Estimating Guidelines

<b>Additional Living Expense (ALE)</b>	<p>As soon as an ALE exposure or loss of rents is determined, open the proper coverage by completing the green processing sheet. Use the "ALE Worksheet" to document payments. Although ALE coverage is provided on a reimbursement or incurred basis, advance payments following a severe loss should be made in order to meet the customer's immediate needs.</p> <p><b>Receipts must document all other payments.</b></p>
<b>Contents</b>	<p>Work with the customer to develop a list of contents. Obtain pricing through your own research -- do not ask the customer to do the pricing for you. A verification of contents pricing is required. A reasonable effort must be made to support the value of the item being claimed. Attempts should be made to repair content items when feasible.</p> <p>Content items that are \$100.00 or more per single item require documentation of verification. The adjuster must properly identify the item with make model and size. Use reasonable means to price the item.</p> <p><b>CSA guidelines or state regulations always take precedence.</b> Add sales tax for content items paid at ACV or FRC. Sales Tax must be added, unless stated otherwise in the local issue page.</p>
<b>Depreciation</b>	<p>When depreciation is applied (whether recoverable or not) each appropriate line item should be depreciated on a percentage basis. IntegriClaim provides a guide on the standard useful life. If this amount is used an explanation on the estimate for each item needs to read "based on standard useful life". If there is something that changes this percentage then that must be explained on the estimate. Depending on applicable state laws, the depreciation must be explained on each line item or for the entire damaged area.</p>
<b>Diagrams:</b> <ul style="list-style-type: none"> <li>• Roof/Fence</li> <li>• Other Areas</li> </ul>	<p>Roof/fence/siding diagrams are required on all losses (including ECH files), even when the insured believes that they have a claim and we are denying it due to no visible damage. Losses involving siding should be diagrammed with the elevation of the home identified. For roof diagrams use the diagram sheet in the Roof Assessment Packet or the diagramming tool contained in the Integri database. The diagram must be uploaded to the Integri system, whenever Integri is utilized.</p>

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	<ul style="list-style-type: none"> <li>• When repairing a slope, designate the areas included in your estimate.</li> <li>• A diagram indicating the damaged area is required for a minimum repair charge.</li> <li>• <b><u>Measurements are required on all other losses.</u></b></li> </ul> <p>Other areas of damage, such as interior water damage, may require a diagram. Include measurements on diagrams.</p>
<b>Estimating Database</b>	<p>The adjuster will use the Integri claims estimating database.</p> <p>Please adhere to the areas below:</p> <ul style="list-style-type: none"> <li>• The current version of Integri should be installed on your laptop. <b>If a different version is in use, it will be noted in the "Storm Issues."</b></li> <li>• A Home Depot flag reflecting Home Depot pricing should appear on the estimate. If Home Depot is not seen, please contact your FPL.</li> <li>• Adhere to the Integri best practices as outlined in the Integri Implementation Guide.</li> </ul>
<b>Fences</b>	<p>Depreciation is applied to the replacement cost when an entire run (corner post to corner post) of a fence is replaced but does not apply to the tear out. Always consider repairing or re bracing the fence when it is appropriate.</p>
<b>Food Spoilage</b>	<p>Food spoilage losses can be settled for a maximum of \$300 with a list of categories involved. Check the customer's policy type because <b>some</b> policies extend coverage for off premises power interruption.</p> <p>Any applicable taxes must be shown as a single line item.</p>
<b>Full Replacement Cost vs. Actual Cash Value</b>	<p>Depreciation withholding must be explained to the customer. Send the appropriate FRC letter to the customer; only letters from the Oaysis system or the Cat Team Intranet site can be used. Thoroughly explain what is required for them to be reimbursed for the depreciation that was applied on the estimate and what constitutes non-recoverable depreciation. The "State Issues" page states if the CSA requires an FRC letter when only non-recoverable depreciation is involved.</p>
<b>Labor by Insured</b>	<p>With IntegriClaim, there is no longer an insured labor rate. We are to use the labor rate for the appropriate labor for the trade the insured performed. .</p>
<b>Measurements</b>	<p>Measurements are rounded to the nearest inch. Use a 25', 30' or 100' tape for accurate room measurements. Measuring wheels are not acceptable</p>
<b>Minimum Charges</b>	<p>A minimum charge for a single trade item can be used only <u>once</u> on a loss. Document file with the location and scope of work to be done. No other estimate dollars should be entered for that trade in the estimate. MSB applies tax to the material portion of the minimum charge.</p>

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<b>Overhead and Profit (O &amp; P)</b>	<p><b>General Guidelines:</b></p> <p>The following guidelines should be utilized anytime we are considering paying Overhead and Profit. Whether or not overhead and profit should be included in the estimate should be determined on a case-by-case basis.</p> <p>For structural losses, typically requiring the services of a tradesperson(s) who is capable of handling one or more trades, the material, labor and equipment cost of the estimate is generally adequate for the job.</p> <p>However, where market or job conditions warrant, and/or our experience or investigation indicates that a single trade or specialty contractor may have special equipment, crews, offices, company trucks, etc. (e.g. roofing contractors, siding contractors, flooring contractors), reasonable overhead and profit may be allowed.</p> <p>General contractor overhead and profit should be considered whenever the extent and complexity of the loss suggests the need for a general contractor, and/or the degree to which non-related trades involved in the loss requires a high level of coordination.</p> <p><b>Note:</b> Some states have mandated specific guidelines for the use of O &amp; P. Please be aware of those guidelines and handle the losses accordingly. If inclusion in the replacement cost estimate of separate overhead and profit charges (whether for a general contractor or otherwise) is appropriate, those charges should also be reflected in any ACV payment. If you decide that O &amp; P is warranted and you have communicated this to our customer, do not remove or deduct this amount from the actual ACV or FRC payment.</p>
<b>Openings</b>	Deduct all openings on clean and paint operations. Single items over 40 sq. ft. should be deducted for drywall, sheet siding, paneling, and sheathing.
<b>Re-Inspections</b>	Quality Control Representatives ensure quality service by re-inspecting losses. You are notified regarding your individual results. <b>Advise your customer that their loss may be re-inspected.</b>
<b>Replacement Cost</b>	<p>Claims may be settled on a Full Replacement Cost (FRC) basis if the gross loss does not exceed the amount stated in the local issue section of this document. The Structure portion (AA + BB) and Contents portion (CC) will stand-alone.</p> <p>The adjuster will adhere to PCCSO guidelines for FRC, if the limits are not adjusted in the local issue section of this document.</p> <p><u>Losses up to \$2500:</u></p> <p>(Consider paying FRC up front under the following circumstances)</p> <ul style="list-style-type: none"> <li>• When state regulations require FRC with no hold back</li> <li>• FRC holdback creates undo financial hardship on our policyholder</li> <li>• Repairs in progress</li> <li>• Loss is of a nature that repairs are not optional (i.e., roof slope gone)</li> <li>• Item was used on a regular basis by policyholder and you feel the insured fully intends to repair or replace</li> </ul> <p><u>Losses in excess of \$2500:</u></p> <p>(Consider paying FRC up front under the following circumstances)</p> <ul style="list-style-type: none"> <li>• When state regulations require FRC with no hold back</li> <li>• FRC holdback creates undo financial hardship on our policyholder</li> <li>• PCPS written approval</li> </ul>
<b>Roof Claims</b>	<p><b>The current roof process guidelines will be followed.</b></p> <ul style="list-style-type: none"> <li>• The local CSA guidelines will be observed when a roof tear off is necessary. In some areas only the removal of the damaged layer is required.</li> <li>• The Roof Assessment Packet including roof diagrams must be uploaded, whenever Integri is utilized.</li> </ul>

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<b>Sales Tax</b>	<p>Payment issued on all property lines losses whether on an actual cash value or a full replacement cost basis should include all applicable sales taxes. * This includes payment of applicable taxes on an incurred and non-incurred basis. Payments based on appearance allowances or cash allowances (see definitions below) are acceptable as exceptions to this rule. Any other exceptions must be approved by the MCM or their designate on an individual file basis.</p> <p><b>*Note: Some states apply sales tax on both labor and materials. Please adhere to local requirements in your area.</b></p> <p><b><u>Definitions: (Examples)</u></b></p> <ul style="list-style-type: none"> <li>• <b>Cash Allowance...</b>insured has 10 boxes of old, worn out clothes in the basement that are intended for use as cleaning rags. We issue one payment based on an agreed value for all ten boxes. The cash allowance is based on the value of these items as "rags" and is substantially less than the ACV of useable clothing.</li> <li>• <b>Appearance Allowance...</b>an insured item is still useable/functional and the customer wishes to keep the item in its damaged condition. We issue a payment based on an agreed upon value (less than ACV) and the customer retains the damaged item.</li> </ul>
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# Waiver Adjuster - Talk Path

Initial Contact Introduction	<p>"Hi, I'm your name and I am calling on behalf of your agent, _____. Thank you for selecting Allstate Insurance Company for your insurance needs. I will be the adjuster assigned to your loss. Do you have a few minutes to discuss your claim with me?"</p>
<p>The Four E's:</p> <p>1) Empathy</p> <p>2) Explanation</p> <p>3) Expectation</p> <p>4) Education</p>	<p>"I would like to give you my direct phone number and your claim number."</p> <p>If customer is unable to discuss claim:</p> <p>"I will be happy to call you back if this isn't a good time for you. I want to make sure that you fully understand the claim process and what will take place. It will take approximately 10 minutes to explain the process. When would you like me to contact you?"</p> <p>"I see that you have been insured with Allstate since _____. (all lines) Is that correct? We appreciate your business. I am going to make sure to provide you with the best service possible."</p>
Establish Role of The Adjuster	<p>"I'm sorry about your loss. I know that (peril) _____ damage is unpleasant to deal with. I understand this is an unpleasant/upsetting experience for you and I want to help you through it." "Are you (your family) OK?"</p> <p>"My role is to assist you to make this as easy as possible for you and my goal is to make sure you are completely satisfied with our claim service."</p>

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Review Expectations	<p><b>For Waiver claims:</b></p> <p><i>In order to provide better and quicker service on this claim, we should consider working directly with a repair person of your choice.</i></p>
Explain Role of the Adjuster	<p><i>My role is to expedite repairs of your damages and to assure your settlement is correct. Therefore, we will be asking for estimates/bids to be prepared by your repair person and sent to my attention.</i></p> <p><i>As soon as we finish, I will send you a letter with a self-addressed envelope. All you will need to do is have your repair person call me before they write the estimate. I will provide your repair person with advice on what type of information I need on the estimate to process your claim. Once the estimate is completed, it can be sent to me in the envelope provided or via fax.</i></p>
Gather Additional Loss Facts	<p><i>I realize that you previously gave details of your loss to an Allstate representative when the claim was reported. If it is OK with you, I would like to discuss the facts with you as they were presented to me. This will ensure that I have correct descriptions, ages, prices, etc. and to make sure I have a complete list of damaged/stolen items. Do you have the time to go over this information with me?"</i></p>
Review & Explain Coverages	<p><i>"Your _____ policy provides protection for a number of different types of losses, such as (mention a few named perils).</i></p> <p><i>"Do you have any questions or concerns at this time?"</i></p>

	<p>"At this time, I would like to discuss the coverages that are available to you under your _____ policy." (i.e., Deluxe Plus, Deluxe, etc.)***Discuss coverages, deductible, limits, exclusions, etc.)</p>
Determine Emergency Repair Needs	<p>If applicable:          "Are there any emergency repairs that have been made to your home? Do you have the bill?"</p>
Customer Education	<p>If applicable:          "Mr./Mrs./Ms. _____, I would like to offer you some thoughts on how this type of loss may be prevented in the future."</p>
Verify Understanding	<p>"Mr./Mrs./Ms. _____, I appreciate you taking time to discuss your loss with me. Have I clearly explained everything to you/ what will happen next in the claim process? Please feel free to call me if you have any questions. Thank you for being insured with Allstate Insurance."</p>
Establish Next Follow-up	<p>If unable to complete settlement on the same day:          "In order to conclude your claim, I will need to (i.e., research prices, etc.) so the settlement can be completed. Do you have any questions or concerns about what we have discussed? I can contact you on _____ (date that complies with process guidelines) to discuss the settlement or would another date be better for you?"          If agent needs to be notified due to customer's dissatisfaction:          "This is _____ from the Homeowner Claim Department. I handled (am handling) a claim for your customer, _____. I am calling to let you know that _____ (Customer's name) is dissatisfied because of _____ (denial, limits situation, etc.)."</p>

**Loss Causation Inspection (LCI)**  
**Total Pending Inspection in 10 Days Process**

1. Inspect all property claims within 10 days
2. Inspect residence
  - a. Risk Photo - take the appropriate # of photos to illustrate Cause of Loss. – water line, all 4 sides of dwelling, any collateral photos which would illustrate water level or penetration in area.
  - b. Determine height of waterline. Must be documented via MSB and uploaded.
3. Determine Tenability
  - a. Review Policy and how it applies to ALE
  - b. Is home uninhabitable due to:
    - i. Flood only
      1. Yes
        - a. ALE coverage from the Allstate HO policy not triggered
        - b. Document accordingly.
        - c. Request to Adjust Applicable Reserves (use form provided)
      2. No –see Next Section on Wind
    - ii. Wind
      1. Yes – (Determine timeframe ALE required)
        - a. Less than 30 days from date of loss.
          - i. Reconcile agreement with insured.
          - ii. If prior Advance (Civil Authorities) was issued – reconcile and determine if it was sufficient.
          - iii. Conclude civil authority ALE
          - iv. Explain payment to insured
          - v. Set expectation that additional ALE - is on a reimbursement of incurred expense requiring receipts, etc.
          - vi. Complete initial A.L.E. Worksheet (green/white worksheet) or in MSB, in detail.
          - vii. Complete Advance Payment Agreement.
          - viii. Adjust Applicable Reserves (use form provided)

- b. Greater than 30 days from date of loss
    - i. Reconciliation of all prior payments needs to be completed.
    - ii. Complete A.L.E. (green/white worksheet) or MSB in detail and forward to ALE unit.
    - iii. Transfer to inside ALE unit. (Use ALE transfer sheet )
    - iv. Complete Advance Payment Agreement.
    - v. Explain payment/transfer to insured.
    - vi. Adjust Reserves (use form provided)
  - c. Document accordingly. Upload MSB
2. No – Flood loss (*No wind damage present or not significant enough to render the house uninhabitable*)
- a. ALE coverage from the Allstate HO policy not triggered (Insured agrees)
    - i. Request ALE coverage closure.
    - ii. Document accordingly.
  - b. ALE coverage from the Allstate HO policy not triggered (insured disagrees)
    - i. Explain coverage decision to Insured and document accordingly.



# **Waiver Process For Homeowner Claims**

## **Minimum Requirements**

**(Updated October 31, 2003)**

**The following practices, in conjunction with Company materials such as the CPPP, Claim Security, CSC, Roof and Fire manuals are meant to provide a uniform base for promoting consistent claim handling. It is possible that unintentional conflicts may arise with local laws, regulations or administrative codes. Should this occur, such laws, regulations or codes will take precedence.**

# Waiver Process

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TO PROTECTIVE ORDER

- Each property MCO must have an MOI/MOS strategy in place that takes into consideration MCO structure, staffing, geography, claim counts by market, and loss types within those markets to ensure an effective waiver process.
- MCOs that service more than one state may need to consider an MOI/MOS strategy for each state.
- The MOI/MOS strategy should be reviewed regularly to address changes within the market.
- Waiver is the settlement of a claim where there is no inspection and estimate or scope prepared by an Allstate adjuster or approved representative.
- “Waivers” are offered to customers to assure quick response and repair of losses when other MOI are not available or appropriate.
- The waiver process may be necessitated by local market conditions, reduced adjuster availability due to geographic considerations, or increased claim activity may require local management to prioritize losses with greater cost management opportunities.

# Waiver Process

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- Recognizing that waiver claim handling requires a specific skill set those who handle waivers should be trained in the process. Consider specialization when appropriate based upon claim volume and other factors in your market.
- Settlement may be reached by taking into consideration paid bills, and/or repair person estimates or bids.. Consideration should be given to our overhead and profit general guidelines and structural estimating training materials to determine the correct amount for the repairs.
- To determine eligible claim payments on claims involving only exterior damage, the adjuster will request (not require) two (2) estimates/bids and photographs.
- If multiple estimate/bid options are not available, or the loss has interior damage the adjuster may request one estimate and photographs. In all cases, be sure we have a good description of damage areas and damaged materials.
- If contents are involved in the loss, the waiver adjuster is required to develop a content list with pertinent information while on the phone with the customer. Use CES per requirements for evaluation purposes.

# Waiver Process

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## Role of the Controller

- Identify waiver opportunities in staffed and non-staffed areas based upon MOI/MOS strategy.
- Leverage customer service and cost management opportunities by assigning field adjusters to inspect losses in non-staffed areas per MOI/MOS strategy.
- Suggest MOI/MOS strategy or staffing recommendations based upon changing market conditions.

# Waiver Process

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## Role of the Waiver Adjuster

- Contact Customer
  - Acknowledge claim
  - Set expectations
  - Obtain repair person's name and phone number
  - Send form letter to insured outlining the repair person's estimate requirements
- Determine Coverage and Cause of loss.
- Obtain a good description of damage area and materials involved.
- To determine eligible claim payments on claims involving only exterior damage, the adjuster will request (not require) two (2) estimates/bids and photographs. Consideration should be given to our overhead and profit general guidelines and structural estimating training materials to determine the correct amount for the repairs.
- If multiple estimate/bid options are not available, or the loss has interior damage the adjuster may request one estimate and photographs. In all cases, be sure we have a good description of damage areas and damaged materials.
- If contents are involved in the loss, the waiver adjuster is required to develop a content list with

# Waiver Process

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pertinent information while on the phone with the customer. Use CES per requirements for evaluation purposes.

- Contact the repair person to set estimate expectations
  - See attached Waiver Process Estimate Requirements document
- Review estimate(s)
  - Match damage description on loss report to damage description on estimate
  - Compare estimate pricing to competitive market pricing
  - Check accuracy of math on estimate
  - Question repair versus replacement options  
Ask questions! If something seems out of line, contact the customer or the repair person for an explanation. Document your findings.
  - Negotiate bids with the repair person (if needed) and document agreements and concessions.
  - Assure compliance with the following issues:
    - Proper explanation of the basis for any depreciation taken
    - Proper accounting of Profit and Overhead if applicable
    - Proper application of sales tax
- Contact customer to discuss settlement amount

# Waiver Process

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TO PROTECTIVE ORDER

- Review loss for salvage. If salvage recovery is feasible follow up with the customer in adherence with your local market guidelines
- Assure complete customer satisfaction (Waiver Adjuster - Talk Path document)
- Document PWS
- Process closure paperwork and closing letters with settlement check, include copy of Estimate, ACV/FRC Settlement Letter and any other appropriate letter or form.

# Waiver Process

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## Role of the Front Line Performance Leader

- Share the “Role of the Waiver Adjuster” with claim employees.
- Assist with the development of a MOI/MOS strategy based upon projected inspected and non-inspected losses.
- Review waiver activity when considering staffing shifts.
- Provide oversight of process assuring loss cost management.
  - Assure compliance with adjuster role by reviewing open and closed files.
  - Complete sit-a-longs as required to insure process compliance and employer/owner development.
- Insure that appropriate agents are fully aware of the waiver claim handling process.



# **Waiver Process**

## **Estimate Requirements**

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You should advise the repair person of the following estimate requirements. The purpose of these points is to assist the repair person in the preparation of an estimate that should eliminate further telephone calls for clarification.

- Prepare estimate on your company letterhead, to include address and business phone numbers.
- Estimate damages by individual rooms, if more than one room is involved in the loss.
- Provide measurements of each room or damaged area.
- Provide photographs of damaged area(s).
- Prepare estimate with line item detail to include description of damaged items, quantity and either unit cost by item, or time and material. Avoid lump sum estimates.