

## CLAIMS

CESP	CAEP	Topic/Issue
X	X	<b>BASIC CONCEPTS OF TITLE INSURANCE</b>
X	X	• Contract of Indemnity
X	X	• Insurance versus guaranty or warranty
X	X	<b>POLICY TERMS - CLAIMS</b>
X	X	• If the Company concludes that the claim is valid, the Company shall take one of the following actions:
X	X	○ Review the Policy Options for resolving valid claims
X	X	<b>INSURED CLOSING SERVICE LETTERS</b>
X	X	<b>EXTRACONTRACTUAL LIABILITY</b>
X	X	• Liability for matters outside the title insurance policy
X	X	• Deceptive Trade Practices Act Issues (DTPA)
X	X	• Verbal representations of title matters
X		• Errors in the Escrow Process
X	X	<b>CLAIMS HANDLING PROCEDURES - AGENT RESPONSIBILITIES</b>
X		• If notified of a claim or potential claim orally
X		○ Tell the claimant that they should report the claim in writing and give address of underwriter's claim office
X		○ Get as much information as possible
X		○ Follow procedure for sending claim to underwriter
X		• If notice is received in writing
X		○ Immediately notify underwriter's claims counsel
X		○ Locate all in-house files or documents which may be relevant
X		○ Review this documentation for relevance
X		○ Send copies of appropriate documents to claims counsel
X		• Create a separate "Claim" file or folder
X	X	• Remind other employees not to discuss the claim with anyone without approval of the office manager
X	X	• Direct all inquiries to the underwriting claims counsel
X	X	• Stand ready to assist underwriter in any way requested
X	X	<b>CLAIMS HANDLING PROCEDURES - UNDERWRITER RESPONSIBILITIES</b>
X		• Promulgated deadlines
X	X	• Proof of Loss form
X	X	• Claims Handling Procedure by a Direct Operation
X	X	• Employee Directives regarding "Responses" to insureds re handling claims. Example: Do not say "we will take care of it" and other similar statements