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Recovery Advisers

Credit Insurance Claims Management & Recovery Services



From Claim to Recovery

Aman Union Third Technical Training

Beirut, 27 April 2013

Session Learning Outcome

- See claims management and recovery activities from the perspective of a recovery agency.
- Be familiar with the interconnectedness of the internal and external claims management and recovery activities.
- Recognize the importance of shortening the time to contact debtors and commence recovery.

Outline

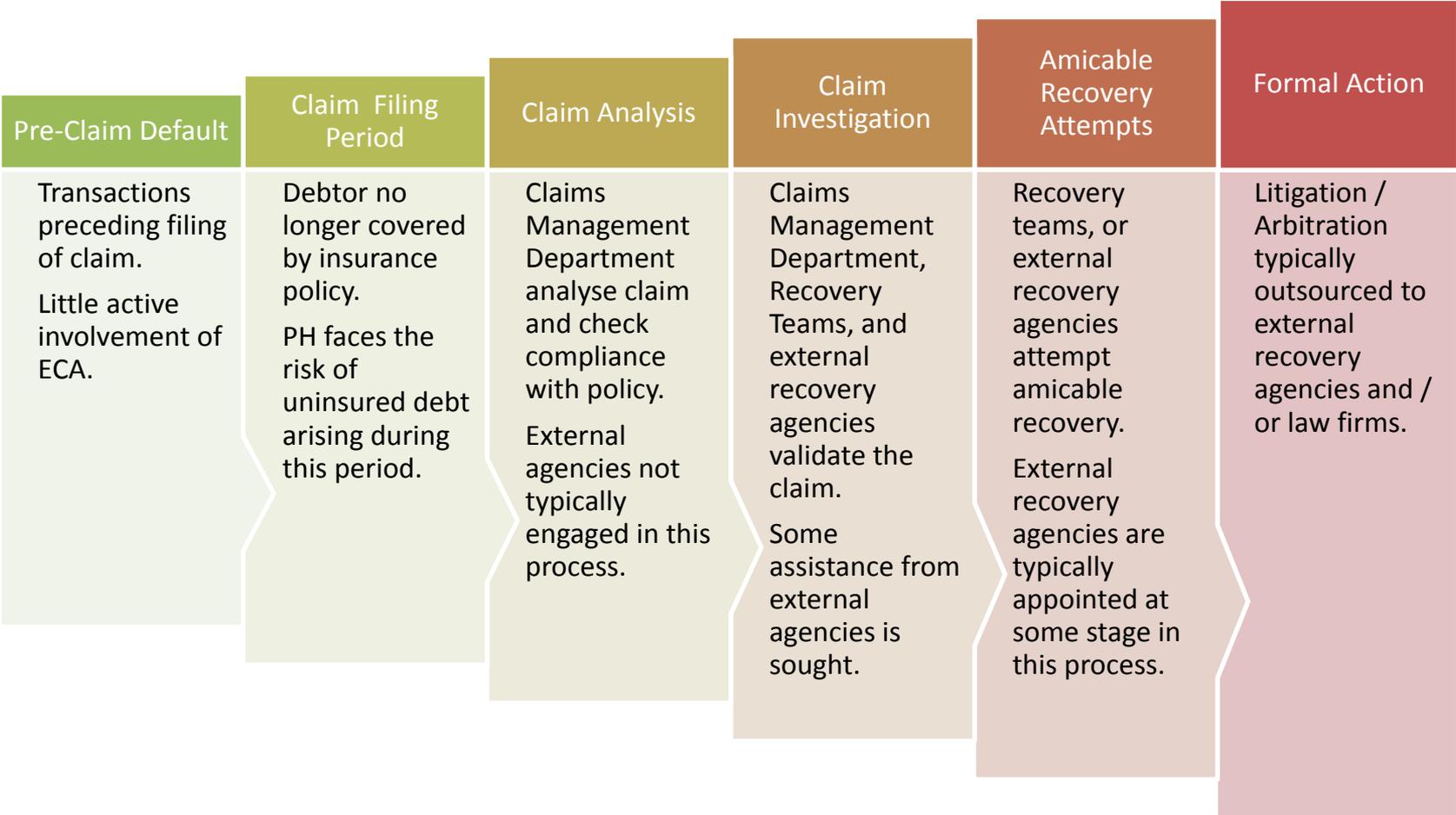
- **General Overview of Claims Management & Recovery – A recovery agency's perspective.**
- **Improving Recovery.**
- **A Success Story.**



General Overview of

CLAIMS MANAGEMENT & RECOVERY

Claims Management & Recovery

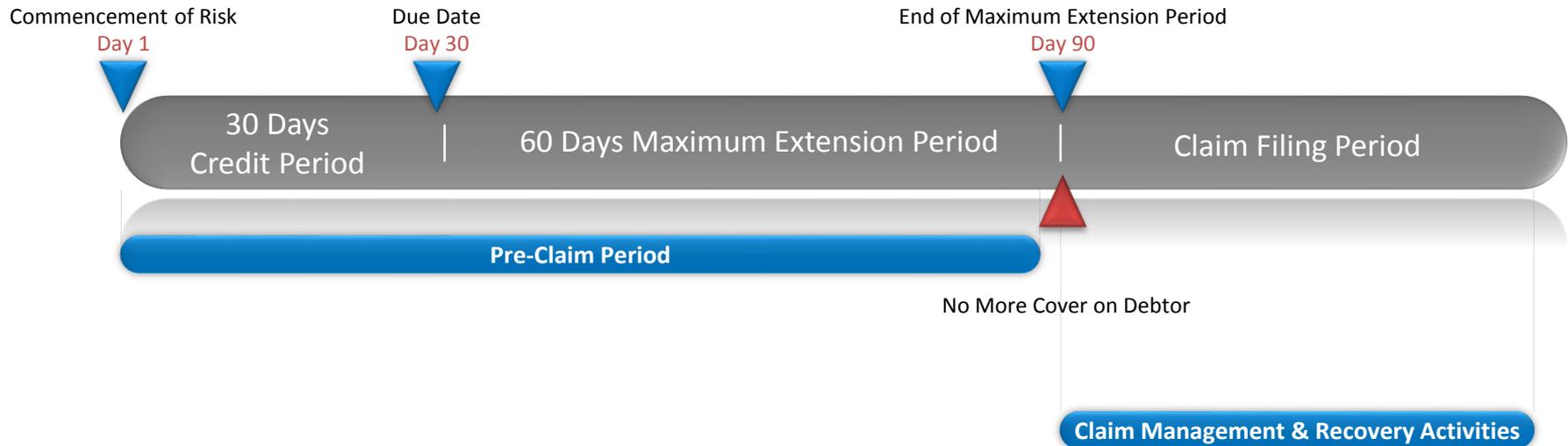




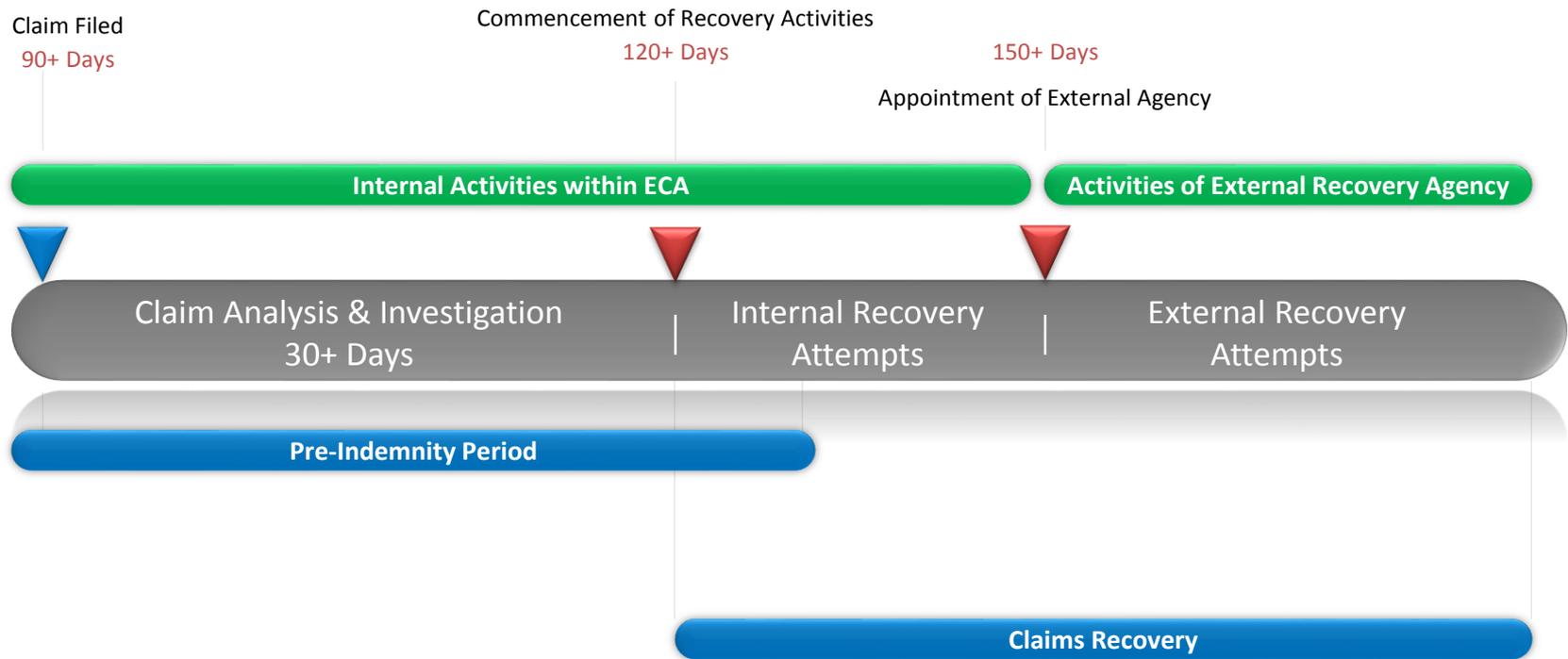
Typical

TIMELINES OF CLAIMS MANAGEMENT & RECOVERY

Common Timelines of Claims Management & Recovery



Common Timelines of Claims Management & Recovery



Common Timelines of Claims Management & Recovery

- When cover is no longer available, policyholders runs the risk of inadvertently supplying customers on uninsured credit.
 - Gives rise to policyholders attempting to prioritize the repayment of uninsured debt.
- Appointment of external recovery agencies takes place after significant time has passed from default.
 - Time is the most crucial element for successful recovery.
 - A variety of risks are introduced during the period between default and active recovery.



IMPROVING RECOVERY

Improving Recovery

- Streamline and standardize claim analysis and investigation processes.
 - Use checklist.
 - List claim transactions in a spread sheet for improved ‘over arching view’ and increased chances of spotting anomalies.
- Establish two-way contact with the debtor as early as possible.
- Appoint your recovery agency for a ‘second opinion’ when analysing and investigating claim.
- Use the reports of your recovery agency to support indemnity decision.

Improving Recovery

- Develop a set recovery plan for common types of claims and common jurisdictions.
 - Most short-term insurance claims can be categorized into distinct types.
 - Industry.
 - Jurisdiction.
 - Age.
 - Dispute (type and nature of dispute).
 - Categorization enables planning and instilling of set procedures.

Improving Recovery

- Plan for policyholder lack of engagement.
 - Collect claim documents required for formal action as early as possible.
- Plan for appropriate transfer of rights from policyholder to ECA as early as possible.
 - Ensure that the requirements of the debtor's jurisdiction are met.
 - If action-via-policyholder is chosen, plan for recovering your funds from the policyholder.
- Consider and plan for situations where the policyholder involvement may still be required.



Improved Recovery

A SUCCESS STORY

Improved Recovery

- Client changed their claims recovery processes to allow entrustment of claims to Recovery Advisers BV prior to indemnifying the policyholder.
- Recovery Advisers' scope of work expanded to include the following steps (in addition to debt recovery and formal action):
 - Claim analysis and document inspection.
 - Claim investigation.
- Recovery Advisers stopped charging a fixed fee for claim investigation and considered this step integral to claims recovery.

Improved Recovery

- The change in the client's process shortened the time from claim to 'initial contact' with the debtor by 66%.
- The shortened time to 'initial contact' with the debtor resulted in an improvement of approx. 25% in recoverability.
- This improved / streamlined process is currently being replicated with another ECA and Recovery Advisers B.V.

Recovery Advisers

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Thank You

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