

PROPOSED CLAIM ADMINISTRATION ARRANGEMENT

Blue Leaf Claims, Inc. ("BLC") offers experienced and professional claim management services. The management and claim technical teams are comprised of high-level, dynamic claim professionals formerly employed by insurance companies, reinsurers and the alternative risk marketplace.

The scope of the proposed claim handling activities includes subrogation management services for members of the National Limousine Association. We assume the claim exposures involve the handling of automobile subrogation claims (physical damage, liability deductible, PIP, etc.) and that the underlying claims have already been processed or concluded, or near conclusion.

The BLC claim staff will handle the majority of the subrogation claim activities; however, BLC may need to utilize the services of independent adjusters, appraisers, investigators, and experts, as part of any necessary follow-up investigation to support the subrogation claim. We may also need to secure official reports and conduct public record database inquiries. We will use licensed attorneys to assist in the subrogation process if subrogation can only be accomplished with the filing of litigation, and the legal fees will be paid on a contingency basis as a percentage of the gross recovery proceeds (see fee structure below).

PRICING

We have proposed the following pricing.

All New Automobile Subrogation Claims and any existing claims¹ with Subrogation Potential.	12% Subrogation Contingency Fee² off the gross recovery proceeds – No subrogation attorney or litigation involvement. Claims submitted to arbitration are included in this category, if no attorney is required for the submission, or an appearance at mediation, or court proceeding.
All New Automobile Subrogation Claims and any existing claims³ with Subrogation Potential, which involve the filing of litigation, mediation, or require a licensed attorney to handle legal activities.	30% Subrogation Contingency Fee⁴ off the gross recovery proceeds– with subrogation attorney involvement. The 30% contingency fee includes the subrogation attorney and BLC fees. A subrogation attorney will become involved only if litigation, or other legal activities, is necessary to facilitate the recovery collection process.
Reimbursement of all <i>allocated loss adjustment expenses</i> including independent adjusters, appraisers, investigators, experts, official reports, public record database inquiries and any filings.	Invoiced at cost. Expenses are paid by the client as incurred.

Recovery contingency fees are only paid by the client when we recover subrogation dollars. The gross recovery proceeds are reduced by the contingency fees.

We will follow any subrogation claim instructions provided by the client. Typically, we have followed a 10/30/30 subrogation protocol. The handling adjuster sends the first subrogation

¹ We will review existing claims to identify subrogation potential at no charge. If we identify recovery potential, the above fee structure applies.

² If BLC is unsuccessful in recovering any subrogation proceeds, there will be no fee.

³ See Footnote #1.

⁴ See Footnote #2.

recovery notification letter to the adverse insurance carrier and/or responsible party within ten days of the claim receipt date. Within thirty days, a second letter is sent as a follow-up. Thereafter, if we do not receive a response within another thirty days; the claim will be placed in arbitration, or referred to a subrogation law firm to assist in the subrogation process.

Prior to any referral to a subrogation attorney, we first determine whether there is any available insurance coverage, or assets, on the part of the responsible party. Should there be no available insurance coverage, we conduct an asset check to determine whether it will be cost effective to file litigation against the adverse party.

All claims will be entered in our claim management system. Our pricing includes client access to our web-based *paperless* claim management system through the Internet, including access to all file notes, correspondence, imaged attachments, financials, as well as the claim management reporting module.

CLAIMS SYSTEMS & STATISTICAL DATA

We have the ability to import claims data into our claims system, as well as, export data directly into the client's system. Upon receipt of specific data requirements, we will contact our software developer for a proposal.

BLC will statistically enter all claims in its *Claim Management System*, providing comprehensive claim management reports to the client.

PROFESSIONAL LICENSING

BLC will hold proper adjuster and TPA licensing to facilitate the claim handling activities.

INSURANCE & BONDS

BLC maintains appropriate insurance coverage, which includes workers compensation, general liability, automobile liability, electronic data processing, errors & omissions professional liability and crime coverage (fidelity bond).



Blue Leaf Claims, Inc. is a national claim administration company providing comprehensive claim administration services, including **claim recovery services**.

We utilize cutting edge technology, and committed employees, to offer our clients quality and cost effective claim administration services, with maximized recovery collection.

We offer a claim solution for most commercial lines of business including all types of transportation, general liability and workers compensation. We have advanced experience in handling limousine and livery-type claims.

Client Focused:

- + Customized claim operations
- + Customized claim handling procedures for each client
- + Specialized claim units & dedicated client coordinators
- + 24 hour toll free or web-based claim reporting

Quality Emphasis:

- + *Best Practices* for claim handling and litigation management
- + Quality supervision
- + Manageable caseloads - positive impact on claim results
- + Regular internal quality control claim audits

Web-Based Systems:

Blue Leaf Claims utilizes a web-based claim management system designed to manage multiple lines of insurance. The system utilizes Microsoft .NET technology, one of the most powerful and flexible development tools on the market today. With integrated imaging application and workflow, the claim staff works in a fully functional paperless environment, increasing productivity and delivering more efficient claim processing.

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Recovery Services

- Subrogation
- Salvage
- Third Party Deductibles
- Loss transfer
- Liens

Special Rates for NLA Membership!

You Only Pay if We Recover!

Claim Administration Services

- Claim Administration (TPA)
 - Recovery
 - General Adjusting
 - Special Investigative Unit
 - Consulting & Auditing
-

We offer...

- Comprehensive Claim Management Services
- Aggressive Recovery Collection
- Professional Adjusters, Managers & Attorneys
- Comprehensive Claim Investigations & Adjusting
- Aggressive Recovery Collection
- Timely and Proper Reserve Management
- Internet Based Claim Reporting
- Client System Internet Access Worldwide
- Risk Analysis & Management Reporting