

## **FREQUENTLY ASKED QUESTIONS: PROOF OF CLAIM PROCESS**

*This document is intended to answer general, common questions pertaining to the proof of claim process, filing deadlines and notice. The assets and liabilities of Lumbermens Mutual Casualty Company, American Manufacturers Mutual Insurance Company, and American Motorists Insurance Company were substantively consolidated by the court in May 2013 and are therefore collectively referred to here as “the Lumbermens Companies.”*

**Q1. I received a notice letter in the mail. Why did I receive this letter? What does it mean?**

On May 8, 2013 Orders of Liquidation with findings of insolvency, effective May 10, 2013, were entered by the Circuit Court of Cook County, Illinois (the “Supervisory Court”) against each of the three Lumbermens Companies. You received a notice letter because your name appears as a potential creditor on the books and records of one or more of the Lumbermens Companies. The notice letter was sent to all policyholders, claimants, entities and creditors, informing them of the claim filing deadline and procedures you must follow in order to pursue a claim in the Lumbermens Companies liquidation proceedings. Your receipt of this notice does not automatically mean you have a claim against one of the Lumbermens Companies, but merely indicates you are a *potential* creditor. Review your own records to see if you are entitled to make a claim and, if so, follow the procedures set forth in your notice. If you have questions, please review these Frequently Asked Questions in full; if your questions are not covered here, you may submit your questions via telephone or email as listed below.

**Q2. I don’t remember having a policy or a claim with Lumbermens. What kind of potential claim do I have?**

Prior to contacting us, please make sure you have reviewed your own records and documents for information concerning a possible claim. If you have questions concerning the nature of your potential claim, please call one of the phone numbers listed on your notice: (312) 836-9500 or (847) 320-2711. Have your notice available so that you can provide the notification number on the reverse side of your notice, located above your name and address. This will assist our staff in looking up your records at the Lumbermens Companies. You may also email your question(s) to [claimoperations@lmcco.com](mailto:claimoperations@lmcco.com); please be sure to include your name, contact information, claim number, the notification number listed above your address on the reverse side of

your notice, and any other information that may help our staff identify your potential claim, and someone will respond to you as soon as possible.

**Q3. How do I pursue my claim in the liquidation proceedings?**

If you had an open claim pending on the books and records of the Lumbermens Companies as of May 10, 2013, you will automatically be considered to have a filed timely proof of claim, and no further action is required on your part for purposes of asserting a claim.

If you have a new claim, or your claim arises under a claim file that was closed prior to May 10, 2013, then you are required to file a proof of claim form. Your proof of claim will need to identify both a known loss (or occurrence) and the name of the Lumbermens Company that insured that loss (see **Q5** below regarding company identity). Additional instructions for completing a proof of claim form are set forth on the form.

**Q4 Was my claim open or closed at the time of liquidation?**

If your claim was active as of May 10, 2013, it should be listed on the books and records of the Lumbermens Companies as an open claim, in which case you do not need to file a proof of claim form. In some cases a claim may have been closed without notice, for example, where a worker's compensation or long-term disability claim has not had a payment or medical bill for an extended period of time; in these cases, the claim has been closed and you will need to file a proof of claim if any subsequent bills have been incurred. If a closed claim needs to be re-opened, see **Q18** below.

If you do not know, or are unsure, whether your claim is open, you may either file a proof of claim or send an email to [claimoperations@lmcco.com](mailto:claimoperations@lmcco.com) requesting confirmation as to whether your claim is open. If you choose to send an email, please be sure to include your name, contact information, claim number, the notification number listed above your address on the reverse side of your notice, and any other information that may help us identify your claim, and someone will respond to you as soon as possible.

Prior to contacting us, please make sure you have reviewed your own records and documents for information concerning a possible claim. If you have questions, please call one of the phone numbers listed on your notice: (312) 836-9500 or (847) 320-2711. Have your notice available so that you can provide the notification number on the reverse side of your notice, above your name and address. This will assist in looking up your records at the Lumbermens Companies.

**Q5. I am not sure which of the Lumbermens Companies insured me, can you help?**

The Lumbermens Companies include the three listed entities in liquidation: Lumbermens Mutual Casualty Company, American Manufacturers Mutual Insurance Company, and American Motorists Insurance Company.

Your proof of claim must specify which of the three Lumbermens Companies your claim is being asserted against. Please note, if you have claims against more than one of the Lumbermens Companies you must file a separate proof of claim against each of the companies. Additionally, because of past corporate consolidations and mergers, it is possible that some older policies written under a different company name are now liabilities of American Motorists Insurance Company. (See **Q6** below).

If you have questions regarding the identity of the Lumbermens Company/ies that provided you with insurance coverage, please call one of the phone numbers listed on your notice: (312) 836-9500 or (847) 320-2711. Have your notice available so that you can provide the notification number on the reverse side of your notice, located above your name and address. This will assist our staff in looking up your records at the Lumbermens Companies. You may also email your questions to [policyrequest@lmcco.com](mailto:policyrequest@lmcco.com); please be sure to include your name, contact information, claim number, the notification number listed above your address on the reverse side of your notice, and any other information that may help us identify your claim, and someone will respond to you as soon as possible.

**Q6. I had a policy with (or was otherwise covered by) an insurance company with a different name (e.g., Eagle Pacific, American Protection, Specialty National, or Kemper Environmental, etc.). Why did I receive a notice letter?**

Prior to liquidation, several different insurance companies were consolidated with AMICO, one of the Lumbermens Companies. You may determine whether the company that issued your policy was consolidated with AMICO by going to the Office of Special Deputy Receiver's website at [www.osdchi.com](http://www.osdchi.com) and clicking on the link "Lumbermens Companies' Claim Filing Procedures" and then clicking on the link "Summary of Consolidated Companies."

**Q7. What does liquidation mean?**

An insurance company is liquidated when it can no longer meet its financial obligations, including those arising under policies of insurance and surety bonds that it had issued. A state liquidation proceeding for insurance companies is similar in many ways to a federal bankruptcy proceeding for other types of companies.

**Q8. When were these companies placed into liquidation?**

On May 8, 2013 Orders of Liquidation with findings of insolvency, effective May 10, 2013, were entered by the Supervisory Court against each of the three Lumbermens Companies. You may obtain copies of the Orders of Liquidation by visiting The Office of the Special Deputy Receiver's ("OSD") website at [www.osdchi.com](http://www.osdchi.com) and navigating to the specific company page for "Lumbermens Mutual," "American Manufacturers," or "American Motorists."

**Q9. I don't know if I have a claim or not. Should I file a proof of claim form anyway?**

If you believe you may have a potential claim against one of the Lumbermens Companies, you should file a proof of claim form. (See **Q3** above and **Q11** below).

**Q10. How do I obtain a proof of claim form?**

To obtain a proof of claim form go to the OSD website at [www.osdchi.com](http://www.osdchi.com) and on the home page click on either the link at the top of the page captioned "Claim Forms" or the link "Lumbermens Companies' Claim Filing Procedures." If you do not have access to the Internet, please contact our office at 312-836-9500 and a proof of claim form will be mailed to you.

**Q11. How do I file a proof of claim?**

You must state the type of claim you have on the proof of claim form and provide a brief explanation of the claim, including the amount claimed. If you have documents to support your claim, you must submit copies with the proof of claim form. Include the claim number and date of loss and policy number along with your complete name, address, telephone number(s), and email address.

Only **one** claim may be filed per proof of claim form.

If the amount of the claim is unknown, enter the words "Unknown Amount." You may amend the amount of your claim anytime before the claim is adjudicated by the Supervisory Court.

Please sign the form and return it to the OSD on or before the claim the November 10, 2014, filing deadline.

Once you have completed the form, please print two copies. One copy is for your records. Please sign the second copy and, along with copies of all supporting

documentation in your possession, send it to the Liquidator/OSD. You may submit the form by mail, fax or email as follows:

Address: Office of the Special Deputy Receiver  
222 Merchandise Mart Plaza, Suite 960  
Chicago, Illinois 60654-1309  
Facsimile: 312-836-1944  
Email: file\_your\_proof@osdchi.com

If you choose to submit your proof of claim via email, please be sure to include your name, contact information, claim number, the notification number listed above your address on the reverse side of your notice, in addition to any other information necessary to your claim. Please be sure your attachment is in PDF format and is not too large to transmit via email. For each individual proof of claim, transmit one email with no more than one PDF attachment.

**Q12. What is the claim filing deadline?**

The Supervisory Court has established a deadline of November 10, 2014 at 4:30 p.m. C.S.T. for the timely filing of all proof of claim forms. Your proof of claim will be timely filed if it is either received by November 10, 2014 at 4:30 p.m. C.S.T., postmarked no later than November 10, 2014, or is received by a private courier service no later than November 10, 2014 and your delivery to the courier service is documented with a dated receipt.

Any proof of claim form that is not timely filed, as described above, is late filed and will not participate in any potential distribution until all timely filed claims allowed at priority levels (a) through (g) have been adjudicated by the Supervisory Court and paid in full.

For contingent claims only (see Q14 below): In order to participate in a distribution at level (d) of the priority schedule, an insured having a contingent claim must first file a proof of claim prior to the claim filing deadline of November 10, 2014 and then pay the claim asserted against it out of its own funds and provide evidence of such payment to the Liquidator on or before the contingent claim date of November 10, 2015 (*i.e.*, your submission of proof of payment must either be received by November 10, 2015 at 4:30 p.m. C.S.T., postmarked no later than November 10, 2015, or received by a private courier service no later than November 10, 2015, and your delivery to the courier service must be documented with a dated receipt). This is also referred to as liquidating a claim by actual payment.

**Q13. What are priority levels?**

Section 205 of the Illinois Insurance Code sets forth the priorities of distribution of general assets of a company's estate, as follows:

- (a)** The costs and expenses of administration, including the expenses of the Illinois Insurance Guaranty Fund, the Illinois Life and Health Insurance Guaranty Association, the Illinois Health Maintenance Organization Guaranty Association and of any similar organization in any other state as prescribed in subsection (c) of Section 545.
- (b)** Secured claims, including claims for taxes and debts due the federal or any state or local government, that are secured by liens perfected prior to the filing of the complaint.
- (c)** Claims for wages actually owing to employees for services rendered within 3 months prior to the date of the filing of the complaint, not exceeding \$1,000 to each employee unless there are claims due the federal government under paragraph (f), then the claims for wages shall have a priority of distribution immediately following that of federal claims under paragraph (f) and immediately preceding claims of general creditors under paragraph (g).
- (d)** Claims by policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements, liability claims against insureds covered under insurance policies and insurance contracts issued by the company, and claims of the Illinois Insurance Guaranty Fund, the Illinois Life and Health Insurance Guaranty Association, the Illinois Health Maintenance Organization Guaranty Association and any similar organization in another state as prescribed in Section 545. [. . .]
- (e)** Claims by policyholders, beneficiaries, and insureds, the allowed values of which were determined by estimation under paragraph (b) of subsection (4) of Section 209.
- (f)** Any other claims due the federal government.
- (g)** All other claims of general creditors not falling within any other priority under this Section including claims for taxes and debts due any state or local government which are not secured claims and claims for attorneys' fees incurred by the company in contesting its conservation, rehabilitation, or liquidation.
- (h)** Claims of guaranty fund certificate holders, guaranty capital shareholders, capital note holders, and surplus note holders.
- (i)** Proprietary claims of shareholders, members, or other owners.

**Q14. What is a contingent claim?**

A contingent claim is one where the occurrence or loss took place but a determination of the insured's liability for that loss or occurrence had not yet been made as of May 10, 2013.

In order to participate in a distribution at level (d) of the priority schedule, an insured having a contingent claim must first file a proof of claim prior to the claim filing deadline

of November 10, 2014 and then pay the claim asserted against it out of its own funds and provide evidence of such payment on or before the contingent claim date of November 10, 2015. This is also referred to as liquidating a claim by actual payment.

The contingent claim date of November 10, 2015, has been set by order of the Supervisory Court and is the last date by which evidence demonstrating that such a payment was made can be received by the Liquidator. If an insured's claim is not liquidated by actual payment on or before the contingent claim date, the claim may be still allowable at priority level (e) if it is a covered claim and sufficient information is provided for purposes of estimating the amount of liability under the policy.

**Q15. When will claims be paid?**

When the Lumbermens Companies' liabilities have been finalized (*i.e.*, when the Supervisory Court has entered orders approving the allowance or disallowance of all timely filed claims at level (d)) and to the extent sufficient assets are available, a prorated distribution of estate assets will be made on allowed claims at a percentage rate approved by the Supervisory Court. Distributions are made by priority level so, for example, level (d) claims will not be paid until all level (a), (b) and (c) claims have been either been paid in full or reserved for. At this time, it cannot be determined when, or if, the Liquidator will be in a position to make a distribution or provide a good faith estimate of the percentage of any future distribution.

If your claim is covered by a state Guaranty Fund, the applicable Guaranty Fund or Guaranty Association in your state will review your claim for potential payment. These state agencies were established to pay claims of liquidated insurance companies subject to specific laws and restrictions of their state.

If your claim is not covered by a state Guaranty Fund, you should file a Proof of Claim by November 10, 2014 (unless your claim was open according to the books and records of the Lumbermens Companies on or after May 10, 2013, in which case you do not need to do so).

**Q16. What if I need to report a new claim?**

If you wish to report a new claim / first notice of loss, go to the OSD website at [www.osdchi.com](http://www.osdchi.com) and on the home page click on the link for "Lumbermens Companies' Claim Filing Procedures" (if you do not have access to the Internet, please contact our office at 312-836-9500 and a proof of claim form will be mailed to you). Once you have completed the form, please print two copies. One copy is for your records. Please sign the second copy and, along with copies of all supporting documentation in your

possession, send it to the Liquidator/OSD. You may submit the form by mail or by fax as follows:

Address: Office of the Special Deputy Receiver  
222 Merchandise Mart Plaza, Suite 960  
Chicago, Illinois 60654-1309  
Facsimile: 312-836-1944

**Q17. What if I have additional information on a claim already pending with the Lumbermens Companies?**

You may provide additional information on your pending claim by forwarding the information to:

Lumbermens Mutual Casualty Co., In Liquidation  
American Manufacturers Mutual Ins. Co., In Liquidation  
American Motorists Ins. Co., In Liquidation  
2 Corporate Drive – Suite 110  
Lake Zurich, IL 60047  
Attn: Claims Department  
Phone: (847) 320-2711  
Fax: (847) 320-7215  
E-Mail: [claimoperations@lmcco.com](mailto:claimoperations@lmcco.com)

If you choose to send an email, please be sure to include your name, contact information, claim number, the notification number listed above your address on the reverse side of your notice, and any other information to help us identify your claim, and someone will respond to you as soon as possible.

**Q18. What if I have information requiring the opening of a closed claim?**

If you wish to request that your closed claim be re-opened, you must file a proof of claim. (See **Q3** and **Q11** above). Be sure to include your claim number on your proof of claim form.

If you have questions about re-opening a closed claim, you may send an email to [claimoperations@lmcco.com](mailto:claimoperations@lmcco.com) or call (312) 836-9500 or (847) 320-2711. Please provide your claim number and mailer notification number to assist our staff in looking up your records at the Lumbermens Companies.