



Date: August 25, 2011

To: Guy Mastrangelo, SVP Client Relations

From: Ron Jensen, VP Property Practice Team Leader
Jacob Banker, Director, Operations Service Centers

Subject: Hurricane Irene Preparedness

We have been asked to provide detail on York's state of preparedness for claims from Hurricane Irene, which is expected to make landfall on the east coast of the United States this weekend. At present, the storm is rated a Category 3 on the Saffir Simpson wind scale, with winds currently exceeding 125 miles per hour. If the storm remains at this intensity, damages to property insured by York clients can be anticipated as follows:

Category 3: Devastating damage will occur

There is a high risk of injury or death to people, livestock, and pets due to flying and falling debris. Nearly all older (pre-1994) mobile homes will be destroyed. Most newer mobile homes will sustain severe damage with potential for complete roof failure and wall collapse.

Poorly constructed frame homes can be destroyed by the removal of the roof and exterior walls. Unprotected windows will be broken by flying debris. Well-built frame homes can experience major damage involving the removal of roof decking and gable ends.

There will be a high percentage of roof covering and siding damage to apartment buildings and industrial buildings. Isolated structural damage to wood or steel framing can occur. Complete failure of older metal buildings is possible, and older unreinforced masonry buildings can collapse.

Numerous windows will be blown out of high-rise buildings resulting in falling glass, which will pose a threat for days to weeks after the storm. Most commercial signage, fences, and canopies will be destroyed. Many trees will be snapped or uprooted, blocking numerous roads. Electricity and water will be unavailable for several days to a few weeks after the storm passes.

Preparation for York's response to this event began several months ago when we assembled an internal Catastrophe Team (CAT Team) which could be activated to supplement our Program Property Team (Program Property) should a significant catastrophe occur. This group of 20 analysts are located throughout the US, have been placed on alert and are prepared to begin handling new assignments as early as this coming Monday morning.

The Program Property Team is currently comprised of 31 analysts and 5 Unit Managers. Each office is on alert and prepared to assist with the anticipated influx of storm claims.

York's Operations Service Center (OSC) has two offices, one in Parsippany NJ and the other in Sacramento CA. These centers handle the intake of all new property assignments and also establish the claim files in York's Claims Connect™ system. Once the claim file has been assigned to an analyst by a property Unit Manager, the OSC also prepares and sends claim acknowledgments to our clients. This procedure will not change during our catastrophe response.

We are making the necessary arrangements to have the OSC open for business this upcoming weekend should new assignments begin arriving. Next week the OSC will remain open with extended hours of operation in both NJ and CA to ensure files are being set up as timely as possible.

Should catastrophic damage be sustained in Parsippany from the storm, the OSC West office in Sacramento will take over intake and setups. We have identified clerical staff in other York offices with ability to create new files in Claims Connect™ should the need arise. We anticipate our Service Level Agreement of ensuring all claim files be set up within 24 hours of receipt will remain in effect throughout this hurricane. Storm volume will dictate the speed in which acknowledgments are sent.

After hours, we utilize Custard Insurance Adjusters and their national hotline for new loss reports. We've been in contact with their operations personnel and have confirmed they are staffed appropriately. Protocols for after hours reporting with this vendor are time tested.

New loss assignments can be sent to York either by telephone, email or fax. Normal claim reporting protocols remain in place, we have also established CAT specific reporting ability which will give priority attention to these claims:

How to Report a loss: (standard protocols remain in place as well)

- Email: CAT@yorkrsg.com
- Phone: 800-511-5805 (Specific York Catastrophe line)
- FAX: 800-590-7148

Call Center Coverage (All EST):

- Friday 6:00PM – Saturday 1:00PM: Calls will be taken by Custard
- Saturday 1:00PM – Saturday 5:00PM: Calls will be taken by York Call Center (Parsippany)
- Saturday 5:00PM – Sunday 8:00AM: Calls will be taken by Custard

- Sunday 8:00AM – Sunday 5:00PM: Calls will be taken by York Call Center (Parsippany)
- Sunday 5:00PM – Monday 8:00AM: Calls will be taken by Custard

Claim setup coverage (Claim set ups completed by OSC only):

- Saturday 1:00PM – 5:00PM
- Sunday 8:00AM – 5:00PM
- Monday 8:00AM – 9:00PM
- Tuesday 8:00AM – TBD

Key OSC/Call Center contacts:

- Sonia Acevedo (Call Center Supervisor)
 1. Office – 973-404-1134
 2. Cell – 973-668-7554

- Jacob Banker (OSC Director)
 1. Cell – 916-749-8590

York's Specialized Loss Adjusting Division (York SLA) will be our primary field adjusting vendor for Hurricane Irene claims. There have been daily conference calls for the past week discussing the storm path and available SLA resources. Approximately 25 SLA adjusters have been put on standby to be the first responders to this event, additional SLA staff may be engaged to supplement our response as necessary. We also have 5 other local and national adjusting companies that will be assisting with field assignments.

We have the ability to run daily catastrophe reports through Claims Connect™. Any clients with a specific reporting need should be encouraged to contact their Client Services Director to discuss their reporting needs. Both Mike Francus and myself will be coordinating data requests made of our carrier clients.

Daily conference calls will be scheduled next week to discuss implementation of our catastrophe response with key managers and executives within York. This will allow us to quickly respond to any issues that may arise and keep everyone apprised of our progress.

Should you need to reach me over the weekend or after hours, my cell is 914-456-9107.