



Norsk Naturskadepool

Norwegian Natural Perils Pool

To member companies of the
Norwegian Natural Perils Pool

Circular No. 1/2019

Oslo, 14 March 2019

RECOVERY PROCEDURES FOR NATURAL DAMAGE CLAIMS

The Claims Committee has been reviewing the recovery procedures on behalf of the Pool's Board. A new procedure has now been introduced whereby all companies reporting natural damage claims in excess of NOK 3 million will be asked to give a written account of their assessment of the potential for recovery in each case. This is to be done as soon as possible after the adjuster's report becomes available.

Recovery is the process of reclaiming the money paid out by the company from the third party to blame for the loss. A recovery claim must always be pursued if there is a legal basis for this.

It is the individual insurer that is party to the case and is to seek recovery where possible. However, cases that concern a matter of principle, cases where numerous parties are involved and cases that result in legal proceedings must always be referred to the Pool. The Board has decided several times in the past to seek recovery where there is a basis for this.

In cases where the natural perils cover and the third party's liability cover are provided by the same insurer, the Board has decided that the following is to apply:

- The company can ask the Pool to take over the handling of the recovery claim regardless of size. Where necessary, the Pool may request additional documentation before reaching a final decision.
- The Pool itself may decide to take over the handling of a recovery claim regardless of size if the Pool considers this appropriate. Where necessary, the Pool may request additional documentation before reaching a final decision.
- When the Pool is to take over the handling of a recovery claim against a third party, the claim must be assigned to the Pool. The company accepts that the claim may be brought against the company itself to the extent that the terms for direct claims are otherwise fulfilled. The company must issue a letter of assignment confirming this.

Any questions about the recovery procedures should be sent to: pool@finansnorge.no.

Yours faithfully
Norwegian Natural Perils Pool

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