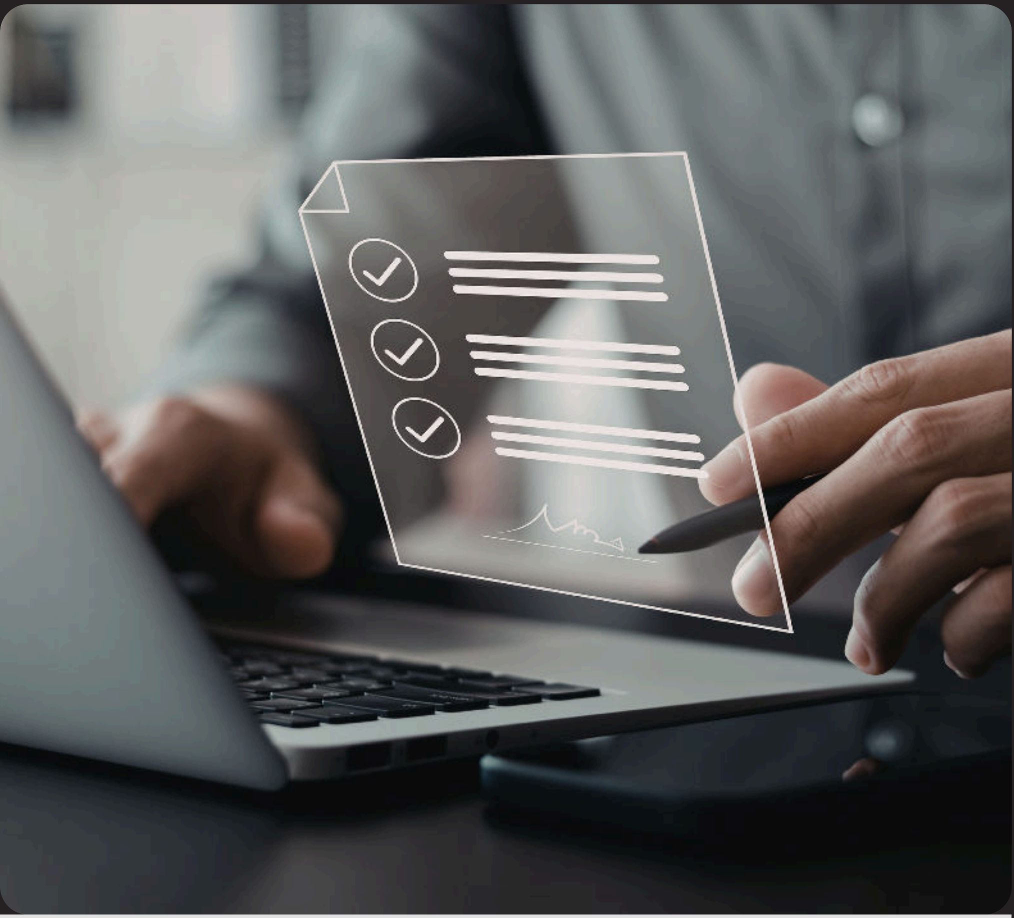


After Mine Subsidence Damage is Confirmed

IMSIF
ILLINOIS MINE SUBSIDENCE INSURANCE FUND

As the owner of a property with a confirmed mine subsidence claim, you may experience frustrations that are inherent to mine subsidence. While the length of any specific mine subsidence event is impossible to predict, events often last more than a decade. Therefore, your claim process may also last more than a decade.

Understanding what to expect while a property is subsiding is key to navigating the claim process smoothly.

This brochure is designed to answer common questions throughout the life of a claim, but feel free to contact IMSIF at any time for additional guidance.

IMSIF AS A REINSURER

Illinois Insurance Code 215 ILCS 5/801.1 requires that all Class 3 property insurers make mine subsidence coverage available for residences, living units and commercial buildings. This coverage is mandatory in 34 designated counties unless a property owner specifically opts out in writing.

The Illinois Mine Subsidence Insurance Fund (IMSIF) was established as a private reinsurance company to reimburse insurance companies for covered mine subsidence losses.

Due to the unique nature of mine subsidence claims, IMSIF performs the investigative work to determine whether damage is being caused by mine subsidence and, if so, the date of first reasonably observable damage. IMSIF also assists insurance companies in evaluating damages. ***Coverage review and payments are still handled by your insurance company***.

It is important that you contact your insurance company or agent if you have questions on coverage or payments.

Damages

Damage from mine subsidence may occur suddenly or slowly over an extended period of time. This damage may include cracks in concrete, brick, or drywall; doors and windows that stick, swing open, or fail to close properly; and occasionally, tilting floors. Mine subsidence damage can range from inconvenient to catastrophic and may continue for ten or more years.

It is important that property owners do NOT attempt to make permanent repairs until damaging ground movement has been confirmed to have stopped, otherwise repaired areas can become damaged again.

Temporary repairs may be needed to mitigate damage, make your home livable, or address safety concerns.

Please discuss these types of repairs with your primary insurance claim adjuster so appropriate repairs can be determined.

In rare circumstances, mine subsidence may create damages that are considered an emergency or life threatening. If you believe this is the case, you may get immediate assistance from the Abandoned Mines Lands Reclamations Division (AMLRD) of the Illinois Department of Natural Resources. They can be reached during business hours at 618-692-3197 (Edwardsville Office) or 217-782-0588 (Springfield Office). After hours, contact Illinois Emergency Management at 800-782-7860.

If gas or electrical lines are affected, contact your local utility company immediately.

Claim Payments

Your insurance policy will set the monetary limits that are available for mine subsidence damage. Please contact your insurance company for specific information.

ADVANCED PAYMENTS

If you have a confirmed mine subsidence claim and a year has passed since first reasonably observable damage, you may request an advanced payment from your insurance company. At their discretion, an estimate may be put together and payment made towards repairs. Please note that this advance payment, as well as any other expenses paid under your mine subsidence coverage, will reduce the total amount available for permanent repairs in the future.

FINAL SETTLEMENT PAYMENT

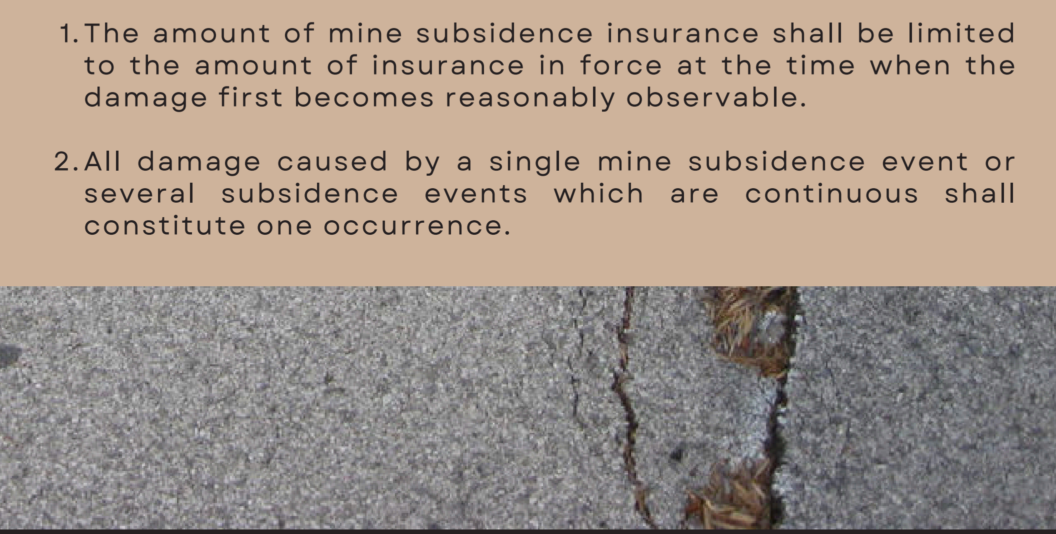
When IMSIF has confirmed that damaging ground movement has ceased, they will notify your insurance company. A designated adjuster will assist in putting a final estimate of damages together and submit it to your insurance company. Your insurance company will determine your final claim settlement amount. Please contact them directly with any questions you have regarding payment schedules and amounts.

TO NOTE: BY ILLINOIS STATUTE, ANY INSURER MAY REFUSE TO PROVIDE MINE SUBSIDENCE COVERAGE FOR ANY PROPERTY WITH UNREPAIRED MINE SUBSIDENCE DAMAGES UNTIL SUCH DAMAGES ARE REPAIRED!

Policy language varies, but it is important to note:

1. The amount of mine subsidence insurance shall be limited to the amount of insurance in force at the time when the damage first becomes reasonably observable.

2. All damage caused by a single mine subsidence event or several subsidence events which are continuous shall constitute one occurrence.



Record Keeping

The assigned Designated Adjuster name and contact number:

The assigned Claim Adjuster (with primary insurance company) name and contact number:

It is recommended that property owners keep a folder with all receipts, claim documentation and notes. The following information should be included:

1. Date claimed damage was first observed.

2. Descriptions, pictures, and location of the damage.

3. Name of my insurance company at the time claimed damage was first observed.

Record Keeping

4. What are my mine subsidence insurance limits at the time claimed damage was first observed?
5. Date of first reasonably observable damage as determined by IMSIF:
6. List of temporary repairs that have been completed. Include pictures, description of damages and receipts.
7. Dates and amounts of any advanced payments
8. Date and amount of final settlement.
9. Date repairs were completed. Include pictures and receipts.

Common Questions

1. **How long will my claim be open?**

   It is unknown how long a claim will be open. Typically, claims are open until it has been determined that damaging ground movement has ceased, which can last over ten years. If your insurance company has paid the mine subsidence limits for your claim, they may close it before damaging ground movement has stopped. With your permission, IMSIF will continue to survey your property annually, and will advise you when damaging ground movement has ended.

2. **Who do I contact with questions about my claim?**

   Please call your primary insurance company FIRST to get information on your claim.

3. **When can I make repairs to my home or business?**

   It is important to refrain from making permanent repairs until damaging ground movement has stopped. Temporary repairs before the movement has stopped may be required to mitigate damage, make your home livable, or address safety concerns.

Common Questions

4. **Do I need to still pay for my mine subsidence coverage while my claim is open? What if I change insurance companies?**

   Contact your insurance agent directly to discuss whether you should leave the mine subsidence coverage on your policy during a subsidence event. You will not be able to file additional mine subsidence claims for the same location until the initial subsidence event ceases. If you change insurance companies your claim will continue to be managed by the insurance company it was filed under.

5. **Can I sell my home while I have an active mine subsidence claim?**

   Yes! Please refer to our “Buying and Selling Real Property in Undermined Areas of Illinois” brochure.

About IMSIF

Prior to 1979, insurance coverage for loss resulting from mine subsidence was not readily available in Illinois. Through an Act of the Illinois General Assembly, all property Insurers licensed in Illinois are required to offer mine subsidence coverage. The statute (215 ILCS 5/801.1) also created the Illinois Mine Subsidence Insurance Fund to provide reinsurance for primary insurance companies offering the coverage.

IMSIF is governed by an eleven-member Board of Directors comprised of insurance industry-elected and publicly appointed directors. The Illinois Department of Insurance provides regulatory oversight.

MISSION STATEMENT

The Illinois Mine Subsidence Insurance Fund is a taxable enterprise created by Statute to operate as a private solution to a public problem. The purpose of IMSIF is to assure financial resources are available to owners of property damaged by mine subsidence. IMSIF fills a gap in the insurance market for the benefit of Illinois property owners at risk of experiencing mine subsidence damage.

IMSIF does this by:

- providing reinsurance to insurance companies for damage caused by mine subsidence,
- conducting geotechnical investigations to determine if mine subsidence caused the damage,
- supporting and sponsoring mine subsidence-related research and initiatives consistent with the public interest, and
- educating the public and the industry about mine subsidence and related issues.

Discover more on this topic and others at:

WWW.IMSIF.COM

For more information, not related to a specific claim, contact:

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