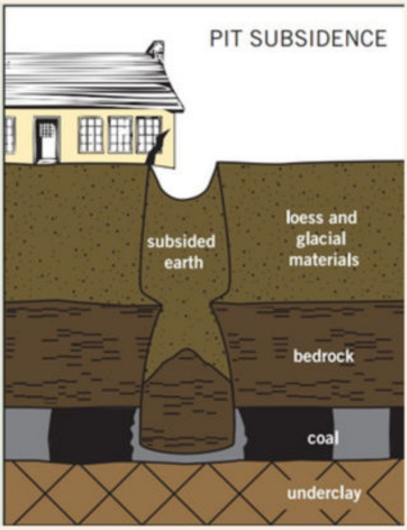
MINE SUBSIDENCE CLAIM INVESTIGATION PROCESS

IMSIF
ILLINOIS MINE SUBSIDENCE INSURANCE FUND

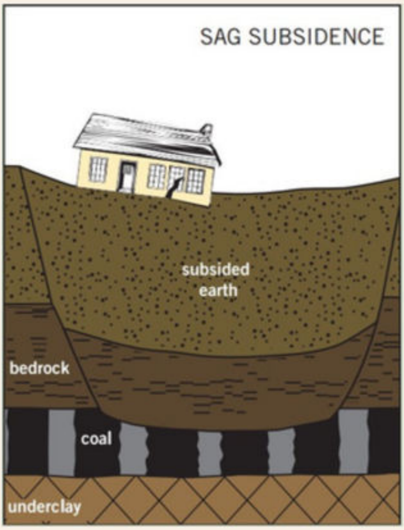
WHAT IS MINE SUBSIDENCE?

Mine subsidence is lateral or vertical ground movement caused by a failure initiated at the mine level that can directly damage the buildings above it. A property does not need to be directly over a mine to be affected by mine subsidence. Each subsidence event is unique, and the range of ground movement is influenced by the angle of draw created by the subsurface collapse, the depth of the mine, and soil composition.



Pit subsidence forms a bell-shaped hole, typically 6-8 feet deep and from 2-40 feet across. It occurs when a shallow mine roof collapses.

Sag subsidence typically occurs when the pillars that support the mine roof collapse. It is the most common type of mine subsidence. It appears as a depression in the ground and can spread over an area as large as several acres.



DETECTING MINE SUBSIDENCE DAMAGE

Mine subsidence damage to a structure can appear suddenly or happen gradually over time. Oftentimes, damage from normal ground movement, changes in soil moisture, or seasonal temperature shifts are mistaken for mine subsidence.

What should a property owner look for?

- Cracked, broken, or damaged foundation.
- Cracks in basement walls, driveways or garage floors.
- Doors and windows that stick, jam, or break.
- Popping and snapping sounds.
- Walls and floors may appear unlevel or tilted.
- Cabinet doors swing open or closed.

In extreme cases, underground utilities such as water, sewer and gas lines may rupture.

IF YOU BELIEVE THAT YOU ARE EXPERIENCING CATASTROPHIC DAMAGE, CONTACT EMERGENCY SERVICES IMMEDIATELY.

FILING A CLAIM

The Illinois Mine Subsidence Insurance Fund (IMSIF) is a reinsurance company. IMSIF reimburses your primary insurance company for covered losses related to mine subsidence, provided you have a mine subsidence endorsement on your policy.

If you believe that you have mine subsidence damage to your home or business, it is important that you contact your insurance company or agent right away. They will review your damages and coverage and will contact IMSIF as necessary.

It is important to remember to document your damages. The claim process to determine whether mine subsidence is causing your property damage will typically last 6-12 months.

While there is no way to know when damaging ground movement will stop, confirmed mine subsidence claims typically last upwards of 10 YEARS.

DESIGNATED ADJUSTERS

Your insurance company will notify IMSIF of a possible mine subsidence claim. When IMSIF receives your claim from your insurance company, a DESIGNATED ADJUSTER will be assigned your claim. The Designated Adjuster may be an employee of IMSIF or an Independent Contractor.

Once assigned, the Designated Adjuster will:

1. Contact you to make an appointment to inspect damage.
2. Locate and review mine maps to determine if your property is over or near a known mine.
3. Take photos and measurements of the damaged property.
4. Explain any conclusions reached, based on their observations.
5. Compile a report that they will provide directly to your insurance company.

GEOTECHNICAL INVESTIGATION

If the Designated Adjuster believes that property damages may be related to mine subsidence, or if you disagree with the Designated Adjuster's findings, IMSIF will assign a Geotechnical Investigator to review damages.

The GEOTECHNICAL INVESTIGATOR is typically a geologist or engineer with specialized expertise in mine subsidence. The Geotechnical Investigator will research the history of mining and mine subsidence in your area. Like the Designated Adjusters, they will perform a site inspection. This will include an interview and damage investigation that helps the Geotechnical Investigator determine a pattern and progression of mine subsidence over time. In addition, they will plan a survey of your property and sometimes your neighborhood. During this time, you will have the opportunity to ask questions regarding mine subsidence.

If mine subsidence is confirmed, the Geotechnical Investigator will monitor and evaluate survey data through the life of the claim.

Back at the office, the Geotechnical Investigator will compile data to determine whether damages are the result of damaging ground movement as well as the date of first reasonably observable damage. They will provide notes and records to your primary insurance company so that coverage and payment decisions can be made regarding your claim.

Please note that coverage and payment decisions are made through your primary insurance company. Should you need claim information or want specific documents, you will need to obtain them through your primary insurance carrier.

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) 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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