

# Courtesy Insurance Agency

## VENDORS SINGLE INTEREST (VSI) CLAIMS GUIDELINES

### REPORTING A CLAIM

- To report a claim, please call our office at 405-755-4571 or 1-800-725-8596. The extensions for our claims department are 17, 18, or 19.
- There are no claim forms to complete.

### CONDITIONS

- In order for coverage to apply, the lender must initiate a professional attempt to repossess the collateral within ninety (90) days after the account becomes delinquent.
- A claim, or potential claim, must be reported within ninety (90) days from the date of loss.
- The lender's interest must be impaired by reason of the borrower having defaulted in his obligation to the lender.
- The lender must require all borrowers to agree to carry physical damage insurance with a loss payable clause in favor of the lender. If the lender waives the insurance requirement, coverage will not be provided under VSI.
- The lender must obtain the title at the inception of the loan. Any lien, encumbrance or defect in the title which existed at the time the loan is made is not insured.

### DATES OF LOSS

COVERAGE	DATE OF LOSS
Coverage A – Physical Damage	Date actual damage occurred. If undeterminable, use date of repossession.
Coverage B – Instrument Non Filing	Date on which adverse party filed its lien
Coverage C – Skip and Confiscation	Date of first delinquency
Coverage D – Repossessed Vehicles	Date actual damage occurred

### CLAIM SETTLEMENT OPTIONS

Claims are paid on the lesser of the following three options:

- Cost of repair or replacement with like kind or quality
- Actual cash value at time of loss less salvage value
- Unpaid balance not more than 90 days past due less interest, insurance, finance, and other charges as of the date of loss, less salvage value

### STANDARD CLAIM DOCUMENTATION

- Copy of Security Agreement/Note
- Copy of Lien Entry
- Complete Pay History
- Repossession Affidavit
- Prior Insurance Coverage and/or Agreement to Provide Insurance
- Police Report on theft or vandalism claims. Fire Report on fire claims.

- Additional documentation required on Instrument Non-Filing and Skip claims. Please refer those sections.

#### **PHYSICAL DAMAGE CLAIMS – COVERAGE A**

- Claims must be reported within 90 days from the date the actual damage occurred. If undeterminable, then must be reported within 90 days from the date of repossession.
- Standard Documentation as listed on page 1

#### **INSTRUMENT NON-FILING – COVERAGE B**

- Claim must be reported within 90 days from the date on which the adverse party files its lien.
- Standard Documentation as listed on page 1 and Additional Documentation
  - Letter of explanation as to why lien was not able to be filed.
  - Title Search
  - If bankruptcy involved, a copy of the pertinent bankruptcy court orders, decrees, and trustee rulings.

#### **SKIP AND CONFISCATION – COVERAGE C**

- Claims must be reported within 90 days from the first date of delinquency
- Standard Documentation as listed on page 1 and Additional Documentation
  - Loan application showing social security number
  - Other existing or prior loan information
  - Current credit report
  - Copy of the title
  - Copy of collection efforts such as:
    - Dates and times of phone calls. Who you spoke to, at what phone numbers, and a summary of the conversation
    - Copy of demand letter and any unreturned mail; copies of all correspondence in conjunction with collection efforts
    - Advise references, contacted relatives, and other collectors
    - If you hired a service to either repossess or skip trace, please send a copy of their report.
    - Record any general information you may “know” from previous dealings or general knowledge such as being related to someone in town, if they have school age children, etc.
  - This information may be handwritten. It does not have to be typed. We need this information not only for our recovery service people, but as proof to the insurance company that:
    - Reasonable effort has been made to locate the borrower, the co-maker, and the collateral.
    - Documentation to distinguish the case as a skip, rather than just a recalcitrant borrower whose collateral you have not been able to repossess.

#### **REPOSSESSED VEHICLES – COVERAGE D**

- Claim must be reported within 90 days from the date the actual damage occurred.
- Standard documentation as listed on page 1.