ARCINA
RISK GROUP
Uncover ◆ Recover ◆ Preserve

Insurance Archaeology presented to

RIMS™
Golden Gate Chapter

January 18, 2024

Who is Arcina…it's in our name

***Ar**c**haeology + In**surance + **A**dvocacy*

Arcina – *pronounced Ar-sin-a* – is a leading provider of insurance archaeology and claims advocacy services to companies, public entities, non-profits and insurers in order to uncover, recover and preserve insurance assets to keep our clients' core business, financials and reputations intact.

What is Insurance Archaeology?

The practice of uncovering and restoring lost or unknown insurance policies to provide claims coverage, often including defense fees.

Why the Need for Insurance Archaeology?

Lawsuit or claim for a triggering event that occurred decades ago:

- Asbestos exposure
- Environmental contamination
- Opioids and other pharmaceuticals
- Talc
- Sexual misconduct
- PFAS

INSURANCE IS AN A$$ET

Industries Served

- Automotive
- Construction
- Energy
- Financial Services
- Food and Beverage
- Insurance
- Healthcare
- Higher Education
- Legal
- Life Sciences
- Manufacturing
- Non-profit Organizations
- Public Entity
- Real Estate
- Religious Organizations
- Retail
- Sports and Entertainment
- Technology/Telecom
- Transportation

The Process – A Disciplined Three-Phased Approach

Diagnostic

- Assess available documentation
- Identify gaps in coverage

Investigative

- Location and organization of evidence of insurance policies

Results and Next Steps

- Creation of schedules, charts and exhibits
- Claims settlement and litigation support

Build Historical Policy Search into Your Strategy

- Consider various types of insurance
  - General Liability
  - Directors & Officers/Educators Liability
  - Employment Liability
- Identify limits, possible erosion of legacy policies and solvency status
  - State insuance departments
  - Insurance Guarantee Associations
  - Bankruptcy filings
- Burden of proof
  - Who has the burden
  - What is the burden
  - How much evidence is required
  - Expert testimony
- Map the insurance to the claim

We Looked Everywhere.
We Don’t Have Any Records.

Eureka Moment - Hair Care Company in New York

- Product liability lawsuit early 1980s
- Interviewed a long-term employee
- Learned of a storage unit in Manhattan
- Found documents related to an acquisition
- Located 26 insurance policies spanning 10 years
- $37 million in insurance coverage

Eureka Moment - California School District

- Two sexual misconduct lawsuits from the late 1970s
- Superintendent was a naysayer
- Befriended the facilities director who produced pallets of old records
- Isolated the boxes from the 1970s and located workers comp claims which revealed the GL carriers
- Claims were covered
- Superintendent became a valued referral source for other Districts

Eureka Moment - New Jersey School District

- Three sexual misconduct lawsuits
- Onsite research produced a tucked away vault that hadn't been opened in 25 years
- Combination found in a lockbox in the principal's office
- Key to the lockbox was in the janitor's basement
- Vault contained original insurance policies from 1958 to 1964

Eureka Moment – International Airport

- State EPA orders clean-up of PFAS contamination from early 1970s
- Insurance archaeology commenced with internal records search
- Identified former broker who produced records verifying insurance from the 1970s and 1980s
- Located 3 insurers of which 1 had policies with pollution exclusions
- Tendered the claim and 2 insurers agreed to coverage including defense and remediation fees

Eureka Moments– University & Medical Center

- Large state university and its medical center were named defendants for sexual misconduct by a physician
- Research commenced in the university archives for primary and secondary evidence
- Located more than $3 billion in historical policies dating back to 1975
- Delivered digital copies, policy schedules, coverage chart and insurer contact information
- Conducted an efficient claims management process

Eureka Moment – Import Automotive Manufacturers

- Asbestos exposure claims related to clutch and brake pads
- Located product liability and GL policies dating back to the start of U.S. production
- Conducted London market research and recovery
- Global market relationships unlocked avenues to policy evidence
- Recovered nearly 100% of the historical insurance for both companies
- Successfully negotiated cost share agreements for over $80 million in defense fees and indemnity payments

Legacy Insurance Implications and Best Practices

- Build historic policy search into your strategy for both property damage and bodily injury claims
- Review corporate history – predecessor firm may be the key to insurance recovery
- Identify limits and possible erosion of legacy policies and solvency status
- Research possible past agreements and/or settlments with legacy insurance
- Map the years of damage or exposure to the earliest available policies
- Conduct due diligence for future acquisitions to understand exposures and potential claims

The Arcina Team

Richard Janisch
Principal
Los Angeles
rjanisch@arcinarisk.com

Gail Kiyomura
Sr. Consultant – Complex Claims
San Francisco
gkiyomura@arcinarisk.com

Daina Petronis
Managing Consultant
Los Angeles
dpetronis@arcinarisk.com

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