



Forensic Accounting and Complex Claims (FACC)

General

The FACC practice adds value to our client's claim settlement process by quantifying the loss amounts, gathering the necessary supporting documents, preparing and submitting the claim on the client's behalf, and assisting the client throughout the entire loss measurement process.



Established expertise

The FACC team at WTW is among the industry's leaders in providing services to large multi-national clients across all geographic

locations, industries and specialties regarding the preparation, quantification and resolution of economic damage claims.

Our practice can help clients throughout the world achieve a superior recovery and/or minimize losses resulting from catastrophic events, litigation or disputes. We have assisted in quantifying damages for clients from all industries including:

- Aerospace
- Hospitality
- Public entities
- Chemical
- Higher education
- Real estate
- Construction
- Life sciences
- Retail/wholesale
- Energy
- Manufacturing
- Tech, media and telecom
- Financial services
- Mining
- Transportation
- Healthcare
- Natural resources
- Utilities

The senior leaders of the FACC team have worked on some of the most challenging and complex insurance claims resulting from some of the world's largest catastrophes and disasters, such as the 2020 Civil Unrest Riots, the 2021 Texas freeze, Superstorm Sandy, the Japan earthquake and

tsunami, the Chile earthquake, the Thailand Floods, the World Trade Center disaster, Hurricanes Katrina, Ike and Maria. FACC team members are at the forefront of their fields and have been admitted as expert witnesses in local, federal and international courts and tribunals. In addition, FACC team members have been successful in quantifying and recovering billions of dollars on behalf of our clients.

Unlike conventional accounting firms who provide services on an "as needed" basis, the accounting professionals at FACC focus solely on the quantification and measurement of economic damages.



Services provided

FACC has the expertise to assist in evaluating economic damages pertaining to:

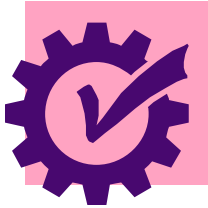
- Builders risk claims
- Business interruption value and exposure analysis
- Construction claims
- Contingent business interruption claims
- Cyber claims
- Environmental claims
- FEMA requests for public assistance
- Fidelity/bond/crime claims
- Fixed asset valuation
- Litigation services
- Product/general liability claims
- Product recall claims
- Property damage and time element claims
- Research and development claims
- Stock losses
- Subcontractor default claims

Total Insured Values

FACC has a team of highly qualified experts as part of its Risk and Analytics practice. The practice includes many disciplines that provide solutions to issues that are critical to our clients.

FACC assists clients in the preparation/quantification of claims, including property damage, business interruption, extra expense, contingent business interruption, product recall, and third-party claims as well as pre-loss planning and the calculation of insured valuations (property and business interruption values). We add value to our clients by quantifying the loss amounts, gathering the necessary supporting documents, preparing and submitting the claim on the client's behalf, and assisting the client throughout the entire claim settlement process.

By teaming up with the WTW claim advocate, our group assists in maximizing the value of the claim based on the policy wording and coverage in place. Our services simplify the claim process, allow our client to focus on the normal day-to-day activities of its business, and generally lead to minimizing the overall disruption to business operations while maximizing the recovery within the parameters defined by the insurance policy.



FACC solutions

Pre-loss services

FACC can assist in developing a pre-loss plan that includes the calculation of property values, business interruption values

and contingent business interruption values.

Accurately measuring and presenting insured values is a critical part of pre-loss planning and improves not only the post-loss process but will also assist in making the renewal process more manageable. Accurate values can be critical to making informed decisions pertaining to the appropriate levels of coverage required and in identifying where a company should apply its resources in disaster recovery and business continuity planning.

FACC can assist with pre-event planning that will:

- Expedite the loss measurement process
- Allow for significant and immediate support post loss
- Allow the client to focus on core business and resuming operations after an event
- Establish procedures to best deal with suppliers/customers affected by the event
- Establish processes and procedures to track data required after an event, including set-up of temporary general ledger accounts to track all loss-related costs

- Establish a claims team and put agreements in place, eliminating the post-loss hiring and vetting process as well as limiting learning curves
- Develop a post-loss claim management plan to ensure preliminary information required is easily accessible and provided in a consistent format
- Allow the client and FACC to respond immediately once a loss occurs

Business interruption values

The FACC approach to business interruption values and pre-loss planning allows for a better understanding of the business interruption values beginning with the client's business interruption exposures based on original source documents (i.e., profit and loss statements) through the revisions, including considerations for business continuity plans, disaster recovery plans, consultations with financial and operational personnel (i.e., redundancies, interdependencies, available inventory, potential bottlenecks), and concluding with accurate and supported business interruption worksheets. FACC will assist by:

- Identifying business interruption loss exposures
- Accurately measuring and presenting business interruption values so that the client is not over or under insured
- Evaluating the cost/benefit of alternative ways, (such as the reasonableness of using other facilities) to mitigate damages

Insured property valuation

The insurable replacement cost of the subject assets will be based upon the cost approach to value. The cost approach is an appraisal of an asset based upon the costs to create or develop the asset. This approach considers the costs of materials and labor, which would be required to replace the assets, considering functionality. This cost is based on the property being replaced entirely at one chosen time, using current market prices for materials, labor, manufactured items and equipment, contractor's overhead, profit and fees, and other soft costs such as taxes and freight, as of the date of the appraisal. These estimates do not include provision for overtime or bonuses for labor or premiums for labor, materials and delivery. Specifically, three applications of the cost approach may be employed:

- **Direct method.** Utilizing this method, insurable replacement costs are determined through current cost information obtained from manufacturers or their authorized representatives, discussions with management, sales engineers and dealers, or based on in-house cost and research data.
- **Indirect method.** In this method, insurable replacement costs are estimated based on data from accounting fixed asset records. The insurable replacement cost of each asset is calculated by indexing the historical capitalized cost based on asset type and acquisition date. Such costs may include the following: electrical connections, foundations, support structures, insulation or finishes; certain direct costs including sales tax, freight and handling charges, installation and general contractors' costs; and indirect costs such as engineering and design.

- **Unit cost method.** In this method, insurable replacement costs are estimated based on unit measures. The unit cost method determines the replacement cost based on units of output over a specific period for a plant or asset and is applied to other similar plants or assets.

During our valuation analysis, we will use and rely upon information obtained from the client, location management, and from various public industry sources. Our value conclusion is dependent on such information being complete and accurate in all material respects. However, as is customary in the valuation profession, the scope of our work will not enable us to accept responsibility for the accuracy and completeness of such provided information.



Our valuation analysis includes:

- Determining the insurable replacement cost of the subject assets
- Creating a statement of values related to the subject assets
- Reviewing the current property policy to understand and advise on property asset coverages
- Employing a combination of the unit cost, indirect and direct approaches of the cost approach to value the assets

WTW core analytics — Property Quantified

WTW will model the impact of natural catastrophe perils and all other loss types (e.g., fire and leakage) on your calculated business interruption and property values using Property Quantified, part of WTW's proprietary risk analytic platform. Property Quantified provides useful quantitative insight into all possible claim types on a location and portfolio level and evaluates insurance strategies with dynamic engagement. Property Quantified marries two powerful underlying risk models, incorporating the insurance market recognized model of RMS (risk management solutions) with our own proprietary actuarial simulation models for non-cat property risks. The Property Quantified outputs may be used to adjust asset and portfolio level key financial metrics, such as net operating income and funds from operations for unexpected loss years.

Property Quantified outputs

- Ninety-nine global quantifications of expected manmade (fire) and natural catastrophe losses
- Gross modeled losses for a range of return periods/probabilities
- Identification of key loss drivers for GS's business interruption and physical damage losses
- Overlay of current insurance structure to produce net results
- Comparison evaluation and comparison of risk transfer options (deductibles/limits) to support the client's data driven risk transfer strategy.
- Summary of conclusions and considerations for next steps
- Presentation of model results to the client

Property Damage



Establish expertise

The FACC team works with policy experts in maximizing the value of the claim based on the policy wording and coverage in place. Our services simplify

the claim process, allow our client to focus on the normal day-to-day activities of its business, and generally lead to minimizing the overall disruption to business operations while maximizing the recovery within the parameters defined by the insurance policy.

FACC professionals have been retained by multinational clients as claim preparation experts as well as expert witnesses related to the methodology and calculations performed. Unlike conventional accounting firms who provide services on an “as needed” basis, the accounting professionals at FACC focus solely on the quantification and measurement of economic damages.

FACC experience extends beyond the quantification aspect of the claim process. Prior to our claim preparation experience that spans two decades, members of our senior leadership team have spent almost half of their respective careers working for and training insurance company adjusters. This experience allows FACC to anticipate the issues that will no doubt arise when measuring a complex claim. We understand what information is required to support insurance claims and often know beforehand where challenges will be made by the carrier’s financial experts. Our experience also allows us to resolve these issues as favorably and expeditiously as possible.



Services provided

In the case of a catastrophic event, the client requires an experienced, creative and dedicated team to support its global risk management

objectives. FACC colleagues will play an important role on this team. When FACC colleagues are engaged on a loss, we are immediately available to begin the claim process, develop strategies for preliminary claim submissions and advance requests, to set up databases and track data requested and provided, including contracts, purchase orders and invoices with unique identification numbers, as well as track all support. FACC can also create a secure, web-based, electronic file-sharing room to facilitate transfer of information and documentation efficiently and in an expedited manner.

The goal of every engagement is to maximize recoveries based on the terms and conditions in the policy in an expedited time frame. We simplify processes, create loss management plans and timelines, and are a proactive partner with you to drive each claim to conclusion.

FACC has the capability to assist in evaluating economic damages pertaining to:

- Property damage and content claims
- Business interruption claims
- Contingent business interruption claims
- Extra expense claims
- Stock losses

FACC will add value to the client’s claim process by:

- Seamlessly working with the WTW claim colleagues as one team
- Providing qualified forensic accountants to lead and manage, bringing settlement and closure to claims as quickly as possible
- Collaborating with both internal and external engineers and construction experts to assist in the quantification of property damage claims
- FACC will help the client recover from catastrophic events by:
- Simplifying and managing the claim process so the client can focus on returning to normal day-to-day business activities
- Quantifying the loss amounts and gathering the necessary supporting documents
- Minimizing the overall disruption to business operations by obtaining cash advances in the early stages of a loss
- Preparing and submitting the claim on the client’s behalf in a format that is familiar to insurers
- Working directly with the claims advocate, adjuster and the carrier’s experts to minimize issues

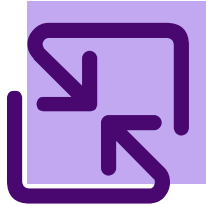
Construction

The Construction Consulting practice is part of WTW's Risk and Analytics and provides support at all levels and phases of construction – from preplanning and development to budget management and risk mitigation.

Our consultants prepare and analyze claims and disputes for construction projects throughout the world. We assist our clients in all construction industries by pro-actively identifying, analyzing, quantifying and presenting any construction and insurance-related claims that may arise if projects don't go as planned or complex insurance recovery is needed. In the unfortunate event a construction claim does occur, our consultants are equipped to provide ongoing support in assessing, validating and quantification of damages to promote resolution. By analyzing the construction contract and the parties' performance throughout the construction duration, our consultants can provide comprehensive and cost-effective assistance in resolving the dispute in a timely manner.

Our team is composed of construction experts with extensive expertise assisting clients throughout the life cycle of a construction project, forensic accountants, certified fraud examiners, project managers and valuation experts.

Construction projects have become more complex, resulting in unique challenges and in turn greater risks. These projects are often exposed to risks and hazards arising from purely contractual and legal problems, unforeseen circumstances or natural hazards. Identifying and addressing risk, and implementing risk mitigation and claims strategies throughout the life cycle of a construction project, can have a positive impact on a project's cost and performance.



End-to-end solutions

Not having proper project controls and an experienced team in place can jeopardize the ability to recover damages due under a contract or insurance policy. Our end-to-end solutions throughout the life cycle of a construction project help avoid, mitigate and manage contract claims and disputes. Our end-to-end construction services include:

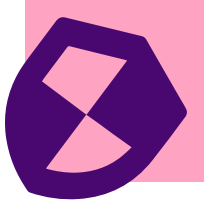
| Pre-construction phase | Construction phase | Post-construction phase |
|--|--|--|
| <ul style="list-style-type: none">• Analyze bids• Subcontractor pre-qualification review, vetting and due diligence• Large subcontract referrals – SDI• Risk mitigation protocols• Delayed startup claims (quantum)• Project specific risk assessment | <ul style="list-style-type: none">• Review payment requisitions for contract compliance• Change order review and evaluation• Owner/developer audit services• Lender audit services• Prove and price claims and dispute | <ul style="list-style-type: none">• Financial recovery strategies• Accounts payable and underbilling reviews• SDI claim• Builder risk claims• Professional liability claims• Surety claim• Loss reserve review |
| | | <ul style="list-style-type: none">• Contract claims review and/or submission• Litigation support and expert testimony• Client business interruption claims• Subrogation claims• Loss reserve review |

When an event occurs which disrupts your project, we can immediately mobilize to assist you in assessing the impacts and associated damages. Our team will be ready to provide analysis to prepare, submit and negotiate the appropriate claims on behalf of our client to maximize recovery.

WTW's construction consulting team has deep expertise regarding claims and dispute resolution for financial institutions, architects, engineers, construction managers, developers, property owners and corporations across all industries and geographies, assisting them in their most demanding construction projects and difficult claims.

Product Recall

Comprised of highly qualified certified public accountants, chartered accountants, forensic accountants, certified fraud examiners and project managers, WTW's Forensic Accounting and Complex Claims (FACC) practice provides expert technical assistance in quantifying economic damages including those which arise from product recall and product liability matters.



Expertise

Our expertise in product recall claims existing across all key industries (including food and beverage, automotive, pharmaceutical, and medical devices) ensures a breadth of experience facilitating the maximum possible recovery under the available policy coverage(s). In addition to facilitating the recovery of direct costs, the scope of our role can incorporate the review of claims made by third parties, ensuring that these claims are supported and are directly related to the recall event.

We assist operational and financial personnel with the traceability exercise to efficiently identify and document the widespread nature of the contamination and the scale of the recall required. The identification of the recall to its source, combined with a complete understanding of the business operations, allows for the appropriate quantification and documentation required for a fully substantiated claim.

The financial impacts to be considered will extend to include:

- Direct recall expenses, for which it is prudent to establish procedures to collate such costs;
- Measurement of additional costs incurred to mitigate the overall loss (such as repackaging costs and expedited shipment);
- The loss of inventory from which consequential loss can ensue;
- Impacts on product market share, including lost revenue and any associated brand damage that might arise;
- Third-party damages which require the detailed review of customer claims to ensure that the losses claimed are reasonable, supported and flow directly and exclusively from the loss event
- Our review of third-party damage claims made against our clients ensures that our client is removed from the process in order to maintain its strong business relationships

The combined consequential losses from such an unforeseen event can have a significant impact on the balance sheet and cash-flow of an organization. Our FACC team members have quantified lost sales and increased costs on hundreds of files and recovered billions of dollars for our clients globally. By requesting the necessary information early in the process, we can expedite the review process and assist in properly managing expectation for all parties.

Cyber

Your IT and computer systems are hacked, how is your business impacted? How will you quantify and recover the economic damages caused by the cyber event?



Who we are

Comprised of highly qualified certified public accountants, chartered accountants, forensic accountants, chartered financial analysts, certified fraud examiners, and project managers, WTW's Forensic Accounting and Complex Claims (FACC) Cyber Claim Practice specializes in quantifying economic damages resulting from cyber-attacks, including ransomware attacks, data breaches, and other cyber events. Our senior leaders have managed the largest and most complex cyber claims, including multiple large scale nation state attacks, high profile ransomware events, data breaches with 100M+ exposed records, and other notable cyber events.



How we can help

Working closely with your organization's financial, operational, legal, and IT teams, FACC's cyber claim experts will identify and quantify all financial impacts resulting from a cyber event. Complementing FACC's cyber claim preparation team is WTW's group of dedicated cyber claim advocates specializing in the interpretation of cyber policies. Aggressively advocating for your organization's position, our combined team ensures maximum financial recovery available under the terms of your cyber policy. Additionally, our team will manage the entire claim quantification, preparation, and settlement process with your insurance carriers, allowing your team to focus on recovering from the event and restoring operations.

Cyber insurance carriers will often recommend "independent" forensic accounting firms to calculate your loss calculation, however these firms are compensated by the insurer, representing their interests. WTW's FACC cyber claim preparation group works solely on behalf of policyholders, with only your interests in mind.

Utilizing FACC's cyber claim preparation experts specializing in this constantly evolving landscape will ensure your organization smoothly navigates the claim process, while maximizing your overall recovery. We provide the proper support and assist in your business recovery by:

- Simplifying the claim process so you can focus on returning to normal day-to-day business activities
- Quantifying the loss amounts and gathering supporting documents
- Minimizing the overall disruption to business operations by obtaining cash advances
- Preparing and submitting the claim on your behalf in a format familiar to insurers
- Participating in meetings, explaining methodology in loss calculations, and responding to requests for additional documentation
- In the event a dispute goes to litigation, providing expert witness testimony related to the methodology and calculations performed

FEMA

We can help qualifying entities seek reimbursement for expenses from FEMA's Public Assistance Program.

With any Presidential declaration of a national disaster or emergency, government assistance through FEMA's Public Assistance program is made available for qualifying entities to seek reimbursement under Section 501(b) of the Stafford Act.

Once a disaster declaration is made, the Forensic Accounting and Complex Claims (FACC) team can work with clients to assist in preparing both the insurance claim and the FEMA Public Assistance worksheets. We work with our clients by:

- Assisting in determination of FEMA eligibility
- Tracking and supporting costs incurred to maximize recovery through all available funding sources
- Assistance in preparing expedited project worksheets (PW) to secure advance funding from FEMA
- Assisting in providing insurance adjusters property claim estimates and business income loss estimates to secure cash advance funding
- Work with clients throughout both the insurance claim and FEMA process, including FEMA's closeout audit



How FACC can help you and your clients recover from catastrophic events

WTW has a team of highly qualified experts as part of its Risk and Analytics practice.

Included in this group is FACC, a global practice consisting of certified public accountants, forensic accountants, certified fraud examiners, and project managers, including a former FEMA public assistance claims director, with direct knowledge of the protocols and procedures necessary to correctly request reimbursement from FEMA.

The Risk and Analytics FACC practice at WTW assists clients in the preparation, support, and quantification of economic damages. We look to recover from available FEMA assistance and any insurance policies that may be applicable. We add value to our clients by quantifying the loss amounts, gathering the necessary supporting documents, and preparing and submitting the claim on the client's behalf to the appropriate party(ies). We continue to work on our Client's behalf to seek resolution as quickly as possible.

The FACC team works across all geographic locations throughout the United States in the quantification of economic damages. We have successfully resolved some of the largest and most complex claims, such as those resulting from hurricanes, wildfires, floods, tornadoes and Covid-19.



The Risk and Analytics FACC practice can assist by:

- Establish record keeping protocols to assist in tracking costs incurred
- Providing resources with direct knowledge of the FEMA recovery process. Our team includes a former FEMA public assistance claims manager
- Team members have direct contact to FEMA public assistance staff to stay on top of new declarations and new expense funding types
- Assistance in preparing claim packages and worksheets as required by FEMA, including assistance in submitting FEMA claims on the online portal
- Increase the timeline of FEMA approval and funding
- Fees for our services can be reimbursed from FEMA and most insurance policies, providing clients with our services and expertise with no net out of pocket costs

The FACC group is uniquely qualified to assist and manage both the FEMA claim process and the interplay between commercial insurance coverages that may be applicable to this event.

For more information contact your WTW client relationship director or:

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About WTW
At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximize performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.



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