

**CHUGACH ELECTRIC ASSOCIATION, INC.**

**BOARD POLICY: No. 131**

**DATE: July 6, 2005**

**DIRECTORS AND OFFICERS INSURANCE CLAIM REPORTING POLICY**

**I. PURPOSE**

To establish policies and procedures for the internal reporting of claims and potential claims against the Association, its directors, officers and employees which may be covered by directors and officers insurance policies maintained by the Association; the evaluation of such claims; and further reporting, as appropriate, of such claims to the Association's insurance carriers and other persons.

**II. CONTENT**

A. Definitions.

For purposes of this policy, the term "claim" is defined to mean the following:

1. A written demand for monetary damages or non-monetary relief;
2. A civil proceeding commenced by the service of a complaint or similar pleading; or
3. A formal civil administrative or civil regulatory proceeding commenced by the filing of a notice of charges or similar document or by the entry of a formal order of investigation or similar document; against the Association, its Directors, officers and employees which may be covered by directors and officers insurance policies maintained by the Association.

The term "potential claim" is defined as any objective manifestation by any person of an intent to assert a claim.

B. Internal Reporting.

All persons affiliated with the Association shall immediately inform and provide copies of all relevant written materials to the Association's General Counsel of any claims or potential claims as defined in II.A. above which come to their attention. The General Counsel will promptly inform and provide copies to the Association's Risk Manager, the Chief Financial Officer, of all such reported claims and potential claims.

C. Evaluation.

Upon receipt of any report of a claim or potential claim, the General Counsel, in consultation with the Risk Manager, will promptly evaluate:

1. Whether the claim or potential claim is covered by any policies of insurance maintained by the Association;
2. For all claims and potential claims determined to be covered by directors and officers insurance policies maintained by the Association, whether and when reporting is required or desirable to the insurance carrier; and
3. For all claims and potential claims, whether reporting is required or desirable to other persons.

D. External Reporting.

1. Based upon the internal evaluation, the Risk Manager will report all claims and, as appropriate, potential claims, to applicable insurance carriers and the Association’s insurance brokers and/or consultants.
2. The General Counsel will report all claims and, as appropriate, potential claims, to the Association’s Directors, Chief Executive Officer and any other named officers and employees.

**III. RESPONSIBILITIES**

The Chief Executive Officer is responsible for insuring this policy is implemented.

Date Approved: \_\_\_\_\_

Attested: \_\_\_\_\_  
Secretary of the Board