

Claims Advocacy – Our Strategic Focus

From time to time, clients are faced with complex claims involving technical disputes that require the input of specialised expertise. This is when our dedicated team of claims advocates takes centre stage, providing clients with strategic advice throughout the life cycle of the claim. We utilise our technical expertise, legal knowledge and business relationships to negotiate the most beneficial outcomes. Here are two cases that we handled:

A Hotel on Fire

In July 2012, a fire broke out in the basement of one of our clients' hotel. At this time, extensive renovation works were being carried out at the epicentre of the fire.

Our client had arranged an Industrial All Risk Policy through Acclaim, covering for material damage and business interruption losses. Our claims team swung into action immediately. Aside from holding the building contractor responsible and liable for the damage, we liaised with relevant parties such as insurers, forensic experts and quantity surveyors throughout the arduous five-year settlement process.

With our intervention, we managed to obtain an interim payment of S\$1 million even as quantification of the loss continues.

While the material damage claim needed further negotiation from the insurer's initial offer, the loss of revenue claim was even more contentious. Working closely with our client, we successfully re-negotiated with both the insurer and their appointed expert specialists, on technical grounds, to revise their original offer. Both the material damage and loss of revenue claims were increased substantially from S\$4.7 million to S\$6.44 million and we felt this outcome was both equitable, and well-deserved by our client.



A devastating hotel fire

Note: Image has no relation to project and is for illustrative purposes only

Spontaneous Combustion in a Waste Management Plant

In 2015, a waste management plant in the Middle East suffered significant fire damage. The cause was due to the spontaneous combustion of a compost heap. This is a commonly documented occurrence for compost stored in an open yard.

The client's policy did not exclude such losses, but they have to demonstrate to the insurer that they had surfaced financial losses beyond the extinguishment costs, and that they owned the damaged compost, thereby sustaining a loss of stock. The client's previous broker closed the case on the matter after determining that there was no financial loss. As the newly appointed broker, the Acclaim team took over and worked to understand the cause of the loss including a site visit by our Claims Director in order to clear any doubts and assist the client to produce the required documentation to support their claim for the damaged compost.



A damaging fire at a waste management plant

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Although the loss adjuster's report contained open-ended questions which led to an extended negotiation process with all eight insurers and re-insurers, the Acclaim team ultimately secured a collective settlement of US\$500,000 for our client.

Insights From Acclaim's CEO –Tony Lim on Global Expansion and Risks

Regional and global expansion are inevitable strategies adopted by businesses aiming for survival and profitability in a mature domestic economy. Globalisation serves to provide the opportunity to seize new markets, it also presents a whole new spectrum of challenges and risks. In this interview, **Acclaim CEO Tony Lim** provides valuable insight into managing the risks of expansion into new markets.

What are the challenges of venturing overseas?

The lack of understanding of overseas markets is a key challenge, particularly with today's geopolitical uncertainty and social imbalance at an all-time high in the region and the world. While companies may be keen to explore overseas opportunities, these may be tempered by fear of the unknown.

What are some key areas of risk and insurance management to consider?

Beyond traditional covers such as fire and cargo insurance, political risk is extremely relevant today. As we have seen increasingly in recent years, political risks can emerge quickly through changes in political events, laws that work against foreign investments, unrest due to social or religious tensions, and even internal power play within political parties. Such instability may have a negative impact on businesses, from disrupting supply chains and operations, to affecting investments and investment decisions. Political risk insurance can provide coverage for incidents such as physical damage due to political violence, loss of income due to business interruption, nationalisation, expropriation, currency inconvertibility, contract frustration, etc.

Another critical area is cyber security. While social media and online transactions play a key role in how businesses are conducted today by enabling access into markets in different jurisdictions, they expose businesses to cross-border jurisdictional exposure and cyber attacks. The fallout from a breach can be very damaging, not just in terms of financial loss but also loss of customer trust. With cyber risks evolving all the time, it is vital for organizations to continuously address the protection, detection and mitigation of cyber attacks.



CEO, Tony Lim

Besides providing protection, are there other advantages that risk solutions bring to businesses?

At Acclaim, we not only help our clients mitigate risk exposures, we also help them turn risks into a competitive advantage by aligning their risk solutions with their strategic objectives. For instance, in the area of mergers and acquisitions, the economic certainty provided by Warranty and Indemnity insurance coverage can give clients the edge in negotiations, and many a times helping to close a deal that would otherwise fall through. This allows them to test new waters with confidence.

How can Acclaim assist companies looking to compete and charter into venture into new territories?

While risks cannot be eliminated, our job is to help clients be aware of the risks involved and take steps to limit any potential impact on their operations through a customised risk management programme that evolves with their strategic objectives and ambitions.

Insuring A Plant that Brings Light to Millions of Lives

In 2013, Acclaim was approached to assist in the insurance placement programme for a power plant in a Southeast Asian country.

This particular client had approached several global insurance brokerages prior to contacting Acclaim, and none were able to take on the project with any promise of success.

The team faced a daunting challenge, as the insurers first approached, balked and declined to underwrite the risks for this client. Forced to go back to the drawing board, the team decided to analyse all the existing data points – the current condition of the plant, the response from insurers and the client’s expectations. Based on the knowledge and insight gleaned from the brainstorming, the team re-strategized and engaged a specialised power engineer conversant with similar types of power plant and recognised by insurers as an expert in this segment..



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Thus, began an intensive two-year process of continuous reviews and enhancements, which saw the team working closely with the plant owner and his team to enhance the facility, processes and best practices. This process saw the engineer visiting the plant on several occasions throughout the two-year period. In the meantime, we continued to engage insurers on the progress made and solicited feedback periodically on the impact of the enhancement had on the insurers’ perception of the risk.

Finally, after a long and drawn out undertaking, support was finally secured from one of the world’s leading underwriters to insure the plant. Despite the extensive long and arduous process, the team continues to drive this project, marking the start of another journey where more of our expertise will be required to improve the risks and coverages, in order to obtain the most competitive terms for the client.

Aside from the team’s tremendous achievement, going from a project that was not eligible for coverage to securing coverage by a leading global power plant underwriter, Acclaim is proud to have facilitated the set-up of the plant’s insurance programme. The plant now provides electricity to more than 5 million people and has achieved a social impact far beyond the monetary value of the plant itself, where lives are touched and changed for the better.

An Appointment from the Singapore International Chamber of Commerce

Founded in 1837, the Singapore International Chamber of Commerce is Singapore’s oldest and most established business chamber. The Singapore International Chamber of Commerce now comprises more than 500 members comprising of SMEs and multinational companies.

Acclaim’s Executive Chairman, Anthony Lim, was recently appointed the Chairman of the Financial Services Committee. In his role as Chairman of the Committee, Anthony will be leading the push to assist SME and corporation members in the financial services sector, by developing strategies and benchmarking in the face of the economy’s challenging tides. The Committee will also focus on issues related to Singapore’s impact as a financial service hub and look at policy issues that require engagement with regulators.



Executive Chairman, Anthony Lim

The 9th Acclaim Monsoon Regatta

On 4th and 5th March 2017, sailors gathered in full force at Changi Sailing Club for the exciting ninth edition of the annual Acclaim Monsoon Regatta. Offering a spectacular weekend of racing on the water, the regatta has proven itself yet again why it is one of the most-anticipated highlights of the club's calendar of events. The Regatta serves as an opportunity for members of Acclaim's network to mingle and try their hand at sailing.

Mr. Jose Fonseca, the CEO of Brokerslink (pictured 2nd from left), gave a special welcome speech to open the Regatta. Brokerslink, is a global insurance broker that Acclaim has been a member and shareholder of since its inception. Mr. Fonseca was presented a copy of the 80th Anniversary Commemorative Book by Acclaim Executive Chairman, Mr. Anthony Lim, who is also the Commodore of Changi Sailing Club. Also, present at the event was the Ambassador of Chile, Mr. James Sinclair (pictured on the extreme right), who was similarly presented a copy of the Commemorative Book from Mr. Lim.



Christmas – A Celebration Of Acclaim's Origins

In December 2016, we celebrated the festive season with a very special trip down memory lane, returning to the roots of where Acclaim began – Acclaim House, a 3-storey conservation building on Tras Street. Nestled amongst a row of colonial-era shophouses, Acclaim House stands out among the rest due to its Art Deco design. The shophouses on Tras Street is unique to the region and once served as centres of business cum homes for residents of 18th century Singapore. They have since been converted into members-only bars, offices for boutique firms and highly lauded restaurants.

Acclaim House, now housing a restaurant, served as the venue for our annual Christmas party - a chance for management and staff to share in good food and soak in the spirit of the season. Having moved to a larger office space more than 15 years ago, celebrating the close of a good year inside this wonderful piece of Acclaim's history brought back many warm memories, making this an especially memorable festive gathering.



View of Acclaim House's Art Deco façade

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