

APPEAL PANEL DECISION FORM

I. CLAIMANT AND CLAIM INFORMATION

Claimant Name	Last/Name of Business ██████████ ██████████	First ██████████	Middle ██████████
Claimant ID	██████████	Claim ID	██████████
Claim Type	Business Economic Loss		
Law Firm	██		

II. DECISION

Denial Upheld

Denial Overturned

III. PRIMARY BASIS FOR PANELIST DECISION

Please select the primary basis for your decision. You may also write a comment describing the basis for your decision.

- Claim should have been excluded.**
- Claim should have been denied.**
- Claim should not have been excluded.**
- Claim should not have been denied.**
- No error.**

Comment *(optional)*:

Claimant appeals the denial of his BEL claim. The Claims Administrator initially found that Claimant did not pass causation on July 2, 2013. Claimant requested, and received, an extension to respond, during which it discovered that the P&Ls submitted were accrual based rather than cash based. Claimant's accountant submitted a spreadsheet converting the information to a cash basis, but the claim was again denied for failing to pass causation. Additional financial information followed, and the claim was denied a third time after reconsideration for failure to pass the causation test. On appeal, claimant faults its CPA for this debacle, claiming that the accountants erroneously submitted P&Ls on an accrual basis when Claimant actually maintains them on a cash basis, then failed to timely convert and re-state them on a cash basis, despite having knowledge of this "error" for over a year. Claimant contends that, when analyzed from a cash basis, its claim passes causation and to deny its claim is a "harsh" result in conflict with the claimant-friendly tone of the Settlement Agreement. Policy 464 states that the Claims Administrator will typically use accrual based P&Ls to determine causation, regardless of whether the claimant's regular accounting method was based on a cash or accrual basis. The policy also states that if a claimant submits both cash and accrual based P&Ls, the Claims Administrator will typically not use the cash based statements for any purpose. Claimant urges this panel to disregard the above and relies

instead on Policy 286; however, that policy no longer exists and has been superseded by Policy 464. The Settlement Program has denied this claim three times for failing to pass the causation test. I find no error on the part of the Claims Administrator in its review of the information submitted by the Claimant. The appeal is denied.