

Rhino Guidelines and Best Practices for Claims

March 2023

Please read these guidelines and familiarize yourself with information regarding the claims process at Rhino.

Note that these guidelines are intended to help improve your claims experience with Rhino. All claims are evaluated and adjusted based on their individual facts and circumstances by a licensed adjuster, and coverage may not be available for all submitted claims. Please also refer to the full bond agreement which contains all details pertinent to coverage.

Binding a Policy

- The Rhino bond requires that a property manager screen each resident before the resident's enrollment appropriately. Acceptable screening includes income validation and credit check. During the claims process, Rhino may ask for documentation of your screening.

Note: Rhino also screens each applicant for eligibility and pricing of each policy. Rhino's screening is distinct and separate from a property manager's screening and decision to extend an offer to lease to a prospective resident and not all prospective residents may be eligible for Rhino's policy.

- If a resident has an outstanding ledger balance, you must resolve it with the renter directly before they are eligible for a Rhino policy. The property management company bears responsibility to verify zero balance at the time the invite is sent and the policy is bound.

Best Practice: We frequently see inaccurate information on policy documents which may impact your claim. Be sure to confirm the policy details including but not limited to the coverage amount, coverage dates, property address, unit number and policyholder name. The policyholder must match the name on the active lease agreement and the coverage dates should align with the lease period

Filing a Claim

- Claims may be filed any time during an active policy and within 60 days of the policy's expiration. The policy expiration may be adjusted if an early cancellation request is submitted by the resident and is approved by the property management company or auto-approved due to nonresponse from the property management company.
 - The Rhino bond only considers rent payments late after the 10th of the month, and loss of rent claims submitted to Rhino prior to the 10th of the month are subject to a waiting period or re-filing before the loss is considered valid and can be approved.

Best Practice: Loss of rent claims for current unpaid months rent should be submitted to Rhino no earlier than the 10th of the month in which they occur. Further, to avoid confusion with the resident or interaction with your eviction proceedings, it is recommended that you match the waiting period to submit losses with your eviction timeline (i.e., when you file your formal eviction proceedings following your rent demand notice).

- Loss of rent claims and excessive wear and tear claims must be filed separately.
- When filing a claim, you must include the following. If we do not receive all the required information and we are unable to obtain it via email follow-up, your claim may be delayed or withdrawn:
 - Loss of Rent:
 - Signed Lease Agreement – please ensure the dates align with your policy
 - Full Rent Ledger, defined as a running account of:
 - Charges
 - Payments from the resident
 - Running balance

Best Practice: we frequently receive incomplete ledgers which add time to approving your claim – please always include a complete ledger with the full billing history of the renter (beginning on or before the move-in date), along with a running balance column.

- Excessive Wear and Tear:
 - Signed Lease Agreement (same as above)
 - Full Rent Ledger (same as above)
 - Additional evidence including photos of damages (before repairs) and invoices (after repairs)

Best Practice: we frequently receive incomplete submissions which lack photos and invoices – please always make sure to include photos and relevant invoices and/or receipts.

- Should a claim be withdrawn by action of the Rhino claims team or accidentally by the property manager, the property manager should respond back to Rhino on the original claim email for further consideration. Rhino claims team has the ability to reverse a claim status if previously withdrawn. **Property managers should not submit a new or 'duplicate' claim. Claims must always be handled under the original file and any refiled claims will be withdrawn as well.**

Coverage Details

- The Rhino bond requires that rent be 10 days past due before considering a claim for approval
- Property managers should always take appropriate action to evict a tenant if they are not paying rent. Suppose a property manager continues to allow a tenant in arrears to remain in a home and does not take proper actions. In that case, the Rhino bond may not provide coverage since the property manager is not mitigating losses by following standard eviction guidelines. In the bond, Rhino reserves the right to require evidence of your good faith process to evict and mitigate losses as part of reviewing your claim.
- Two clauses in Rhino's bond provide an extended coverage period after a policy's expiration. In these circumstances, the period of coverage extension is 60 days after policy expiration. Here is how those work, and the coverage they provide:
 - Did your resident renew their lease or go month-to-month per the terms of your lease agreement, though intentionally did not renew their Rhino policy? Here are steps you may want to take:
 - Reach out to your resident and request they renew their policy by logging into their Rhino Portal, so that they can continue to fulfill the lease security deposit requirement.
 - If they elect not to renew their Rhino policy, you should consider collecting a cash security deposit to fulfill their security deposit requirement.
 - If neither of the above options is successful, and your tenant is not in default of any terms of the original lease agreement, you may have coverage under Rhino's "Bond Coverage Extension" if you suffer a loss (as defined in the bond as; damages, loss of rent expenses, and fees - not to include a cash security deposit) to which Rhino will pay the smaller of (i) the maximum security deposit allowed by law, or (ii) the available coverage limit. If you have a loss, you may file a claim under the Bond Coverage Extension within 60 days of the original policy expiration.
 - Is your tenant holding over in the unit with no active lease and no active Rhino policy? Here are steps you may want to take:
 - Contact the resident to see if a new lease is appropriate, along with a new Rhino policy to continue coverage.
 - Suppose a resident elects not to renew their lease or Rhino policy, and you do not have a cash deposit on file. In that case, you should review your organization's procedures for dealing with holdover tenants.
 - Should the tenant continue in bad standing without an active lease or coverage, you may have coverage if you suffer a loss under Rhino's "Tenant Holdover" if you suffer a loss (as defined in the bond as; damages, loss of

rent expenses, and fees - not to include a cash security deposit) to which Rhino will pay the smaller of (i) rent charged for tenant holdover as described in the lease, (ii) the maximum security deposit allowed by law, (iii) one month's rent or (iv) the available coverage limit, whichever is less. If you have a loss, you may file a claim under the Bond Coverage Extension within 60 days of the original policy expiration.

- Coverage decisions may not be uniform for all claims and may vary from jurisdiction to jurisdiction. For example, Colorado and Texas law does not permit the use of security deposits for light bulb replacement, however, coverage for lightbulbs may be available in other jurisdictions. As a reminder, each claim is reviewed individually based on its merit and review of the respective bond form, lease agreement, and local and state laws.

Returning Claims Payments

- In some circumstances, Rhino will approve and issue payment for a valid claim and the respective resident or someone on behalf of the resident will repay you for claims previously paid by us. In the circumstances where you received repayment for claims previously paid by us, you are required to send reimbursement to Rhino within 30 days of receiving any payment from the resident or on behalf of the resident.
- Payments returned will be added back to the coverage limits and made available for future claims filed in accordance with the bond.

Best Practice: returned payments should always include either the claim number or policy number so that funds can be correctly applied and the coverage limit can be restored.

- Payments may be returned to Rhino via check or direct ACH transfer. Please mail checks to the below address or reach out to your account representative for specific ACH instructions for return payment.

ATTN: Rhino Labs
P.O. Box 736819
Dallas, TX 75373-6819