



# **General Insurance Claims Procedure Guide and Checklists**



***A business owner's guide to  
Claims Procedures***

[www.optimuminsurance.com.au](http://www.optimuminsurance.com.au)

# CONTENTS

<b>Introduction</b>	<b>4</b>
<b>General Claims Procedures</b>	<b>5</b>
Types of Claims	5
What to Do	5
<b>Handling Third Parties</b>	<b>6</b>
Incidents with Third Parties	6
Do's and Don'ts	6
<b>Small Property Insurance Claims</b>	<b>7</b>
What to Do	7
Remember to	7
<b>Large Property Insurance Claims</b>	<b>8</b>
What to Do	8
Large Property Claims Management Plan	9
Commercial and Domestic Property Insurance Claims Checklist	10
Landlord Property Insurance Claims Checklist	11
<b>Public &amp; Products Liability Insurance Claims</b>	<b>12</b>
What to Do	12
Liability Insurance Claims Checklist	13
<b>Marine Insurance Claims</b>	<b>14</b>
What to Do	14
Third Party Claims	14
Own Damage Claims	14
Remember to	15
Marine Insurance Claims Checklist	16
<b>Professional Risk Insurance Claims 'Claims Made Policies'</b>	<b>17</b>
Claims Made Contract Policies	17
What to Do	17
Professional Risk Insurance Claims 'Claims Made Policies' Checklist	18

# CONTENTS

<b>Motor Vehicle Insurance Claims</b>	<b>19</b>
What to Do at the Scene	19
Letter of Demand	19
Claims Form and Quotes	19
Vehicle Drivable	20
Vehicle un-drivable	20
Claims by other motorists	20
Motor Vehicle Insurance Claims Checklist	21
Sample Third Party Letter of Demand	22
<b>Workers Compensation Insurance Claims</b>	<b>23</b>
Report an Injury	23
Legislation for lodgement in each state	23
Workers Compensation Register of Injuries Checklist	24
<b>About Optimum Insurance Services</b>	<b>25</b>
Contact Us	25
Connect with us on Social Media	25
Disclaimers	26

## 4 | INTRODUCTION

This claims procedure guide is created for business owners as a convenient reference to provide clarity on what steps to take, and information to provide, in the event of a claim arising.

Whatever the claim type, you must make sure to notify your claim to your insurer or insurance broker as soon as possible, and gather all relevant information at the time of the incident (such as third party details and/or witness details).

It is important that all claims are settled quickly and fairly, so as to minimise any disruption to your business. Completing a claim form (if required) immediately, or as soon as practicable, and submitting the details to your insurer or insurance broker, means your claim can be actioned quickly and efficiently, minimising the impact to you.

Use the checklists in this guide when collecting data for your claim, so your claim can be processed and resolved swiftly.

We recommend keeping this document in an easily accessible place and sharing it with key staff members so they are aware of the protocols to follow, should they be involved in an incident that requires a claims procedure to occur.

## Types of Claims

Claims fall in to one of two categories, or a mixture of both:

- Claims by you (e.g. Accidental loss or damage, burglary, glass breakage)
- Claims against you (e.g. third party allegation of negligence)

## What to Do

Both categories require that certain procedures be followed to ensure the process runs efficiently:

- ✓ **Record all details** of the incident or loss.
- ✓ **Report claims promptly** to your insurer or insurance broker and seek advice on what to do.
- ✓ **Complete claim forms** and forward with applicable documentation (such as quotes for repair/replacement, photos of damage, proof of ownership, third party demands etc).

Remember to:

- ✓ **Minimise loss** by taking precautions to secure premises or vehicle to prevent further damage.
- ✓ **Never admit liability** as it is up to your insurers to accept or reject liability.
- ✓ **Communication** is important and all documentation should be forwarded as quickly as possible after the incident.

## 6 | HANDLING THIRD PARTIES

This approach is recommended for the Vehicle (including Machinery) and Liability claims which involve a third party. Remember your Insurers have undertaken to accept the risks you have insured against - and it is their responsibility to accept or reject liability.

### Incidents with Third Parties

If you have an incident with a third party, your response should be:

- All care, however admit no responsibility
- Making all staff (where applicable) aware of how to react

### Do's and Don'ts

Below are lists of what you should and shouldn't do in the event of an incident with a third party.

Do's	Don'ts
<ul style="list-style-type: none"><li>• Show sympathy and sincere interest</li><li>• Render any assistance, including medical assistance</li><li>• Gather all information</li><li>• Gather any witness statements and tenant observations</li><li>• Take photographs of the damage</li><li>• Fill in an incident report form</li><li>• Settle small claims on the spot (example claims below your policy excess)</li></ul>	<ul style="list-style-type: none"><li>• Admit liability</li><li>• Mention insurance</li><li>• Volunteer information</li><li>• Fill out form in their presence</li><li>• Put any negative statements on the form</li></ul>

Property Insurance provides cover for physical loss or damage. Types of claims include Burglary, Small Fires, Business Interruption, Accidental Damage, Malicious Damage, Money Loss and Glass Breakage.

## What to Do

In the event of a claim:

- ✓ Immediately contact your insurance broker or insurer to report the claim and arrange an assessor to be appointed, if required.
- ✓ Return a claim form as soon as practicable (within 7 days).
- ✓ In the event of burglary, malicious damage and/or money loss Immediately report the matter to Police.
- ✓ Retain any damaged property or equipment until otherwise authorised by the insurers.

## Remember to:

- ✓ Minimise loss by taking precautions to secure premises or vehicle to prevent further damage.
- ✓ Never admit liability as it is up to your insurers to accept or reject liability.
- ✓ Communication is important and all documentation should be forwarded as quickly as possible after the incident.

## What to do

Following the occurrence of a major loss and the summoning of emergency assistance where appropriate, your broker or insurer will arrange for a loss assessor to be on site without delay.

The claims management plan is a three phase operation:

1. Immediate post loss phase
2. Rehabilitation phase
3. Settlement phase

See the chart on the next page for explanation of these phases.

## 9 | LARGE PROPERTY CLAIMS MANAGEMENT PLAN

Loss Occurrence	Rehabilitation	Settlement
<p><b>Emergency services summoned (Fire Brigade, Ambulance, Police)</b></p> <ul style="list-style-type: none"> <li>• Fires extinguished</li> <li>• Injured taken to Hospital</li> <li>• Security protection</li> </ul>	<ul style="list-style-type: none"> <li>• Interim staffing arrangements</li> <li>• Emergency production</li> <li>• Reconstruction plans evaluated</li> </ul>	<ul style="list-style-type: none"> <li>• Certification of completion of repairs</li> <li>• Scrutiny of accounts by loss assessors</li> <li>• Submission of initial claim on underwriters</li> </ul>
<p><b>Notify your broker</b></p> <ul style="list-style-type: none"> <li>• Underwriters notified</li> <li>• Loss assessors appointed, visit site</li> </ul>	<p>Architect and engineer plans and specifications</p>	<p>Review of your claim with insurance broker and underwriter/loss assessors</p>
<p><b>Temporary repairs</b></p> <ul style="list-style-type: none"> <li>• Dangerous structures made safe</li> <li>• Protective hoardings erected</li> </ul>	<p>Loss assessors report to underwriters</p>	<p>Agreement on adjustments to claim</p>
<p><b>Counter disaster plan activated</b></p>	<p>Tenders called for reconstruction of work</p>	<p>Claims release executed</p>
<p><b>Staff and workforce informed of effect on operations</b></p>	<p>Reconstruction work undertaken</p>	<p>Collection of claims expenses for submission to your insurer</p>
<p><b>Customers and suppliers informed of interruption</b></p>	<p>Separate accounts for cost allocation</p>	<p>Payment of agreed claim amount (for Business interruption claims)</p>
<p><b>Emergency alternative production facilities organised</b></p>	<p>Progress payments authorised through loss assessor</p>	
<p><b>Preliminary plans for rehabilitation</b></p>	<p>Supervision and advice from insurer broker</p>	

The below information and items are required when making a Property Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- Risk address
- GST details (ABN & ITC)
- Date and time of loss
- Cause of loss
- Loss/damage description inc. location and extent of damage (if applicable)
- Third party details (if applicable):
  - Name
  - Address
  - Contact number
- Witness details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact Number
- Applicable documentation:
  - Damage reports
  - Invoices
  - Proof of ownership
  - Quotes (if applicable)
  - Item list inc. make/model/utility company (if applicable)

The below information and items are required when making a Landlord's Property Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- Risk address
- GST details (ABN & ITC)
- Date and time of loss
- Cause of loss
- Loss/damage description inc. location of damage (if applicable)
- Tenant or third party details (if applicable):
  - Name
  - Address
  - Contact number
- Witness details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact Number
  - Police details (if applicable)
- If rent loss/default:
  - Copy of the bond refund application/receipt
  - Ingoing and outgoing inspection reports
  - Tenant's rental agreement
  - If re-let, tenant's new rental agreement
  - Copy of quotes/invoices of all expenses
  - Copy of court bond/authority determination (if applicable)
  - Copy of notices/leave arrears and letters issued to the tenant
  - Photos of any damage, prior to repair
  - If the damage involves strata, confirmation of what they have covered
  - Copy of the rental ledger

### What to do

It is important that NO admission of liability is made by you to any third party.

The third party must forward a written demand to you substantiating any damages claimed.

When making a claim, the documents outlined below should be sent to your insurer or insurance broker immediately:

- Copy of letter of demand from third party.
- Completed claim form.
- Report of incident signed by manager and/or employees involved.
- Photocopy of invoice/quotation for any repair work.

Your insurer will determine whether any further investigation is needed. They will negotiate settlement or otherwise with the third party on your behalf.

Any demands or communication received should be directed to your insurer or insurance broker prior to responding.

The below information and items are required when making a Public & Products Liability Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- Risk address
- GST details (ABN & ITC)
- Date and time of loss
- If the first intimation of a claim was in writing, please attach a copy. If No, please provide a "first person" account
- Details of the incident/accident
- Provide any additional background information that may assist in our understanding of this matter
- All supporting Documentation relating to the incident/accident
- Third party details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact number
  - Details of allegation(s)
  - Supporting documentation (e.g. written demands, correspondence)
- Witness details (if applicable)
  - Name
  - Company Name
  - Address
  - Contact Number
  - Police details (if applicable)
- If rent loss/default:
  - Copy of the bond refund application/receipt
  - Ingoing and outgoing inspection reports
  - Tenant's rental agreement
  - If re-let, tenant's new rental agreement
  - Copy of quotes/invoices of all expenses
  - Copy of court bond/authority determination (if applicable)
  - Copy of notices/leave arrears and letters issued to the tenant
  - Photos of any damage, prior to repair
  - If the damage involves strata, confirmation of what they have covered
  - Copy of the rental ledger

## What to do

### Third Party Claims

It is important that NO admission of liability is made by you to any third party. The third party demand can be either verbal or written demands (under most policies some) substantiating any damages claimed.

When making a claim, the documents outlined below should be sent to your insurer or insurance broker immediately:

- Copy of letter of demand from third party.
- Completed claim form.
- Report of incident signed by manager and/or employees involved.

Your insurer will determine whether any further investigation is needed. They will negotiate settlement or otherwise with the third party on your behalf. Any further demands or communication received should be directed to your insurer or insurance broker prior to responding.

### Own Damage Claims

A claim form needs to be completed and returned along with the supporting documents, where applicable.

- ✓ Immediately contact your insurance broker or insurer to report the claim and arrange an assessor to be appointed, if required.
- ✓ Return a claim form as soon as practicable (within 7 days).
- ✓ In the event of theft, immediately report the matter to Police.
- ✓ Retain any damaged property or equipment until otherwise authorised by the insurers.

### Remember to:

- **Minimise loss** by taking precautions to secure premises or vehicle to prevent further damage.
- **Never admit liability** as this is up to your insurers to accept or reject liability.
- **Communication** is important and all documentation should be forwarded as quickly as possible after the incident.

In the event of an incident and subsequent claim, advise your insurance broker or insurer immediately so an assessor can be arranged, if required.

The below information and items are required when making a Marine Transit Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- GST details (ABN & ITC)
- Date and time of loss
- Loss address/accident description and extent of damage
- Supplier's invoice
- Packaging/weight/inventory list
- Original bill of lading/airway bill/consignment note (including reverse side)
- Copy of non-delivery shortage receipt
- Copy of claim on shipping company or carrier
- Copy of shipping company/carrier's reply
- Quotation for replacement/repairs
- Receipted replacement/repair account
- Copy of out-turn report issued by shipping company/customs
- Third party details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact number
  - Details of claim
  - Supporting documentation (e.g. written demands, correspondence)
- Witness details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact Number
  - Police details (if applicable)

## Claims Made Contract Policies

The following policies are generally issued on a 'claims made contract':

- Professional Indemnity Insurance
- Directors & Officers Liability/ Management Liability Insurance
- Employment Practices Liability Insurance
- Fidelity Insurance

This means that the policy will respond to claims first made against you and reported to the insurer during the period of insurance, specified in the policy schedule.

You should notify in writing any circumstances that you become aware of during the period of insurance, which could give rise to a future or potential claim, as soon as practical, within the period of insurance. Failure to notify claims may breach the terms and conditions of your policy coverage.

## What to Do

It is important that NO admission of liability is made by you to any third party. The third party demand can be either verbal or written demands (under most policies some) substantiating any damages claimed.

When making a claim, the documents outlined below should be sent to your insurer or insurance broker immediately:

- **Copy of letter of demand from third party.**
- **Completed claim form.**
- **Report of incident signed by manager and/or employees involved.**

Your insurer will determine whether any further investigation is needed. They will negotiate settlement or otherwise with the third party on your behalf.

Any further demands or communication received should be directed to your insurer or insurance broker prior to responding.

## PROFESSIONAL RISK INSURANCE CLAIMS 'CLAIMS MADE POLICIES' CHECKLIST

The below information and items are required when making a Professional Risk Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- GST details (ABN & ITC)
- Date you first become aware of such claim or circumstance.  
If the first intimation of a claim was in writing, please attach a copy. If No, please provide a "first person" account.
- Detail the nature of the claim or circumstance that may give rise to a claim.  
If your contract/retainer for services is evidenced in writing, provide a copy to your insurer.
- Details of when you performed the work out of which the claim arises or may arise.
- Provide any additional background information that may assist in our understanding of this matter.
- Provide your opinion on the amount claimed or best estimate of the claim or potential claim.
- Third party claimant's or potential claimant's details:
  - Name
  - Company Name
  - Address
  - Contact number
  - Details of allegation(s)
  - Supporting documentation (e.g. written demands, correspondence)
- Witness details (if applicable):
  - Name
  - Company Name
  - Address
  - Contact Number
  - Police details (if applicable)

### What to do at the Scene

At the **scene of the accident**, the following information must be recorded in writing:

- Name, address, licence number of other driver (and owner, if not same as driver)
- Make, model, registration number of other vehicle
- Date, time, place of accident
- Details of cause of accident
- Names and addresses of any witnesses

If there is **damage to a company vehicle**, where repairs will exceed deductible (excess), a quote for repair will be needed if the car is drivable.

### Letter of Demand

If a **third party claim (Letter of Demand)** is received:

- All correspondences are to be forwarded to your insurance broker or insurer.
- A claim form with your version of the accident must be lodged promptly, otherwise you are liable for costs incurred in the event of any delays.

### Claim Form and Quotes

A motor vehicle claim form, or verbal advice, should be provided as soon as practical to your insurer broker or insurer. A quotation for repair is generally required. Some insurers have repair centres so if you are unsure where to take your vehicle to obtain a quote, they can assist you with either providing details of one of their preferred repairers, or if they have an assessment centre, you can take your vehicle there and they will look after the repair process.

If you do not intend to initially claim under your policy, the claim form should be forwarded with the note "REPORT ONLY". Submitting the forms will protect you if you decide to pursue a claim under your policy at a later stage.

### **Vehicle drivable:**

A quotation for repairs should be forwarded promptly to your insurer or insurance broker along with the claim form or verbal advice of the claim details.

### **Vehicle un-drivable:**

Phone your insurance broker or insurer so that arrangements can be made for an assessment of the vehicle. Your vehicle should be towed to the nearest repairer (please refer to your Policy Disclosure Statement for details of towing costs covered) or recommended repairer as advised by your insurer.

### **Claims by other motorists:**

If another motorist approaches you demanding payment for repairs, they must submit their demand in writing supported by a repair quotation. This must then be submitted to your insurance broker or insurer with no admission of liability made.

The below information and items are required when making a Motor Vehicle Insurance claim. Be sure to collect all this information in preparation and complete the claim form (if required), so your claim is processed as quickly as possible.

- Policy number
- Insured name (as per policy)
- Risk address/Registration number/Make and model of vehicle
- GST details (ABN & ITC)
- Date and time of loss
- Loss address/accident description and extent of damage
- Owner details (fleet)
- Driver details:
  - Name
  - Address
  - Licence details and DOB
  - Drugs/alcohol within 12 hours
- Third party owner details (if applicable):
  - Name
  - Address
  - Registration number
  - Insurer
  - Contact number
- Third party driver details (if applicable):
  - Name
  - Address
  - Contact number
- Police details (if applicable)
- Witness details (if applicable):
  - Name
  - Address
  - Contact Number
- Vehicle towed/drivable
- Location of vehicle

**MOTOR VEHICLE INSURANCE CLAIM - SAMPLE THIRD PARTY  
LETTER OF DEMAND**

Dear (Recipient's Name),

**"WITHOUT PREJUDICE"**

**Re:** Our Vehicle:

Your Vehicle:

Date Of Accident: \_\_\_\_\_

We enclose herewith quotations for repairs to our vehicle which was damaged on the above date as a result of a collision with your vehicle in circumstances which indicate negligence on your part.

We now seek recovery from you of repair costs amounting to \$ \_\_\_\_\_ and would appreciate your cheque for this amount within fourteen (14) days, failing which we will place the matter in the hands of our legal advisors for the appropriate action.

If you are insured against accidents of this nature we suggest that you forward this letter and attachments to your Insurer and request them to contact us within the period specified above.

Kind regards,

**Your\_Name**

**Company**

## Report an injury

If someone is injured at work, or they become sick because of their work, it should be reported to the employer within 24 hours and the worker should seek immediate medical attention.

A worker should report their injury or illness to the employer whether they intend to make a claim for workers compensation or not. An injury or illness can be reported verbally or in writing. If a worker is unable to make a report, one can be made by a representative such as a family member or friend.

If there is a claim, the employer must contact Optimum Insurance Services (or their Workers Compensation Insurer) as soon as possible via email or phone, within 24 hours, so that the claim can be lodged with the insurer in time. A claim form must be completed and submitted electronically or via fax.

## Legislation for lodgement in each state

The legislation for timeframes for employers to report workers compensation claims to their insurer varies in each state.

Please see below for state-by-state requirements. An excess will be due and there may be an additional premium added upon renewal, if the claim is not lodged within the below timeframes:

State	Employer to Notify Insurer
New South Wales	Within 48 hours
Victoria	Within 10 calendar days
South Australia	Within 5 calendar days
Western Australia	Within 5 working days
Tasmania	Within 3 working days
Northern Territory	Within 3 working days
Australian Capital Territory	Within 48 hours, lodge form within 7 days
Queensland	Within 6 months

\* current as at 6th August 2015

Employers must maintain a readily accessible Register of Injuries in the workplace. The Register of Injuries is a current record of any injuries suffered by workers, whether they result in a claim or not. The below information is required when making a Workers Compensation Register of Injury/ Illness for lodging a Claim through WorkCover.

- Policy number
- Insured name (as per policy)
- Risk address
- GST details (ABN & ITC)
- Injured/Ill Worker Details:
  - Name of Injured / Ill Worker
  - Worker's Address / Postcode
  - Age
  - Occupation
  - Industry in which worker was engaged
- Injury / Illness Details:
  - Operation in which worker was engaged at time of injury / illness
  - Date and Time of injury / illness
  - Cause of Injury / illness
  - Bodily location of injury/illness (for illness include symptoms)
  - How the injury/illness was sustained (cause of injury /illness)
  - Was any plant, equipment, substance or thing involved in the injury/ illness? If yes, please provide details
- Witnesses (if applicable):
  - Name
  - Contact number
- Follow up
  - Has the injury/illness been reported to the worker's supervisor?
  - Was any treatment provided? If yes, please provide details
  - Did the injured/ill worker return to work following the injury/illness? If yes, please provide details
- Details of person making the entry /sign off
  - Name
  - Position
  - Department / Team
  - Signature and Date
  - Employee Signature / Date / Address

## About Optimum Insurance Services

Optimum Insurance Services are insurance advisers based in Australia, servicing clients in Asia Pacific markets. As a Corporate Authorised Representative of Insurance Advisernet, we proudly provide a wide range of general insurance products and services.

Our experience, knowledge and access to insurance markets and other resources enable us to provide a diverse range of insurance and risk management services to businesses, associations and individuals.

## Contact Us

At Optimum Insurance Services, we pride ourselves on our fast and efficient claims service. If your insurance is with us and you need to make a claim for whatever reason, you can relax knowing that we will be there to assist you throughout the process. It's all part of the service.

To notify a claim online, go to [www.optimuminsurance.com.au/claims](http://www.optimuminsurance.com.au/claims) or if you need advice, call us on **1300 739 861**. You can also reach us on:

**Email**      [service@optimuminsurance.com.au](mailto:service@optimuminsurance.com.au)

**Fax**        **+61 1300 732 225**

**Hours**     **9.00am to 5.00pm (EST)**

**Monday – Friday**

## Connect with us on Social Media



## © 2015 Optimum Insurance All rights reserved.

The contents of this guide are copyrighted to Optimum Insurance. Please do not share with others.

If you think the information within this guide will be useful to those you know, please direct them to [www.optimuminsurance.com.au](http://www.optimuminsurance.com.au) to collect their copy.

### Disclaimer

This material contains general information only and may not suit your particular circumstances. To decide if a policy is right for you please carefully read the relevant Product Disclosure Statement (PDS) and/or Policy wording.

While we have exercised due care and skill in preparing this information, Optimum Insurance Services (Optimum) does not accept any legal responsibility or liability for negligence or otherwise to you or anyone else who seeks to rely on this information. This includes, without limitation, loss arising from a possible failure of the information to comply with statutory or regulatory requirements or the failure of the information to identify other terms and conditions beyond those considered in this document.

You should obtain advice to ensure that your policy provides adequate cover for your circumstances.

“Optimum Insurance Services Pty Ltd is a Corporate Authorised Representative of Insurance Advisernet Australia Pty Ltd (Car No. 291220), Australian Financial Services Licence No 240549, ABN 15 003 886 687.”