



# Claims Manual

## Anglican National Insurance Program

Period of insurance: 31 October 2018 to 31 October 2019

31 October 2018

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## Introduction

This Claims Manual has been compiled by Aon Risk Services (Aon) to provide a broad outline of the steps and procedures to be followed in the event of claims arising under the program.

Aon's role in the claims management process, as regards above deductible claims, is as follows:

- to submit, regularly follow up and negotiate settlement of above deductible claims,
- to assist in the resolution or conduct of difficult or contentious claims with insurers and re-insurers where required,
- claims administration, including collection of insurance proceeds and proactive follow-up of outstanding claims until finalisation,
- provision of status reports on above deductible claims, and
- to maintain records of paid and outstanding claims for underwriting disclosure and inclusion in renewal submissions.

However, there are a number of classes of insurance coverage where additional handling by Aon in the administration of claims can be counter-productive to the efficient, timely and cost effective resolution of claims.

## General information

The Named Insured and Business Description form part of your insurance contracts. It is therefore important that you advise of any alterations that may arise during the course of the year as these may prejudice your insurance cover.

To eliminate unnecessary repetition, unless otherwise stated within the Insurance and Claims Manual, the following information is common to all policies:

<b>Insured</b>	<p>Any Diocese or any incorporated or unincorporated Body or any Association of the Anglican Church of Australia as declared to Insurers including The Primate of the Anglican Church of Australia, The Metropolitan for each Province, Anglican Defence Force Chaplains, Anglican Defence Force Chaplaincy, Defence Force Anglican Chaplains" Inc. and/or associated and/or affiliated bodies deemed to be insured by any Diocese or entity already an insured under this policy whether incorporated or unincorporated including National Insurance Programme Committee and Manager or as now or as may be herein after constituted and their Officers, Employees, Voluntary Workers, Ministers, Lay Ministers and Contract Workers for their respective rights and interests or their joint and several liabilities.</p> <p>Or as otherwise noted under each policy</p>
<b>Business description</b>	<p>Principally but not limited to religious organisations and affairs incidental thereto, encompassing Diocesan Administration, Investment and Superannuation Funds, Parishes, Caring Agencies, Aged Care, Childcare and similar centres, Kindergartens, Schools and Colleges (day and residential), Bookshops, Opportunity Shops, Charitable activities, Conference Centres, Investment Properties, Recording Studio, out of uniform Defence Chaplaincy, Students whilst performing work experience, Employment Agencies, Registered Builder, Property Owners/Occupiers Suppliers of Products and Services including Insurance, Accounting and Software and the like, Retailer and any other occupation incidental thereto.</p>
<b>Period of insurance</b>	<p><b>Stallholders Liability Insurance</b> 31 December 2018 to 31 December 2019.</p> <p><b>All Other Classes of Insurance</b> 31 October 2018 to 31 October 2019</p> <p>or</p> <p>Any subsequent period for which the Insured shall pay or agree to pay, and the Insurers shall agree to accept a renewal premium.</p>

# Claims procedures

## General

This section is designed to provide assistance in procedures to be followed in the event of any incident that might give rise to a claim occurring under any of your insurance policies.

All claims (except where otherwise agreed and noted herein) are to be reported immediately to Aon.

To enable the processing of the claim without delay and to minimise the possible damage or injury incurred, it is important that the following action be taken.

- 1 All reasonable steps should be taken following an accident or loss to protect the property or person from any further damage or injury.
- 2 Subject to the procedure for dealing with simple claims which is set out in Section 3.5, any incident which may give rise to a claim should be immediately reported to Aon to avoid any potential for denial of liability from insurers alleging late notification.
- 3 Any loss by theft and/or wilful or malicious damage should be immediately reported to the nearest Police station.
- 4 Comply with the relevant claims procedure specific to the class of insurance for which the claim applies.
- 5 Complete the correct claim form and attach all associated claims documents. Claim forms for various classes of insurance are available on the Aon website: <http://www.aon.com.au/australia/about-aon/claim-forms.jsp>. Where a specific claim form has not been specified, the Aon General Claim Form should be used. Please contact your Client Relationship Manager should you require any assistance
- 6 Forward claim documentation including any supporting papers without delay to Aon. Documentation for simple Travel, Personal Accident, Expatriate Medical, Baggage and Motor Vehicle claims should be forwarded directly to the Insurer in accordance with the procedure set out in the following pages.

## Industrial Special Risks

### Property (Material) Damage

Generally, such claims relate to loss or damage to your property which may involve events such as fire, storm, explosion, flood, theft/burglary, malicious damage, etc.

Where there has been loss or damage to your property:

- 1 Take all reasonable steps to protect property from any further loss or damage.
- 2 Call the Police or other Emergency Services as required. Any loss by theft or wilful or malicious damage should immediately be reported to the nearest Police Station and details of the attending Police noted.
- 3 If you suspect that the loss or damage may exceed the policy deductible, notify Aon immediately of the details of the claim (e.g. description of incident, amount of loss, etc.). Aon will then provide further instructions on how to handle the claim.
- 4 Where required, complete a Claim Form and all claims documents as soon as possible after the occurrence whilst memory of the incident is still fresh in the minds of all concerned.
- 5 Ensure full cooperation with the Loss Adjuster appointed by your insurer.

## Business Interruption (BI)

This section relates to the consequential loss of profits that may occur as a result of a material damage loss, covered under the Industrial Special Risks policy.

In the event of a loss, the following steps should be taken:

- 1 Inform Aon of a potential BI Loss.
- 2 Meet with Aon Risk Accounting to understand your policy entitlement. Particularly whether the policy will respond to cover all losses including subsequent expenditure incurred to mitigate loss or restore normal business.
- 3 Consider appointing Aon Risk Accounting to represent your interests in:
  - estimating loss,
  - exploring appropriate loss mitigation initiatives,
  - establish a plan to prepare claims for the purpose of restoring cash flow,
  - assist in managing and responding to requests raised by the insurer's appointed Loss Adjuster,
  - collate necessary information required by the Loss Adjuster.
- 4 Set up separate ledger accounts to capture all additional costs.
- 5 Copy all related invoices and create separate files for the purpose of substantiating any claim.
- 6 Inform all sales staff to record details of sales orders placed which cannot be met due to interruption.
- 7 Do all things reasonably practicable to minimise interruption to business.

## General and Products Liability

Under No Circumstances Must Liability Be Admitted Either Verbally Or In Writing.

Upon the happening of any incident likely to give rise to a claim, the following points must be noted:

- 1 All reasonable steps should be taken following an accident or loss to protect the person or property from any further injury.
- 2 Advice must be forwarded to Aon, together with originals of all correspondence received from a third party and any other supporting documentation (e.g. incident report)
- 3 Where an Incident Report is to be completed, bear in mind the following:

**Be Discreet** – Do not complete the Incident Report in front of the injured person. This may signal that an insurance claim may be possible.

**Be Specific** – Remember, the report you write may be forwarded to your insurer for assessment and evaluation purposes and may be admitted as evidence in court. Be specific and comprehensive in your details.

**Provide Full Details** – Detail (no matter how trivial it may seem at the time), is the most essential component of your Report. In most instances, if the claim ever reaches a court of law, it may be several years down the track. Nobody will remember the specifics unless you write them down at the time of the Report.

- 4 No correspondence should be entered into with a third party except acknowledgement of receipt of the claim. The acknowledgement letter should read as follows:

"Without Prejudice"

We acknowledge receipt of your correspondence concerning an incident at [Location]. This is receiving our attention.

- 5 Do not give any interview or make any statement to a Loss Adjuster or other person investigating any accident or damage unless such person is acting on behalf of your insurer.

## “Claims Made” policies

This section provides guidance on the procedure for notifying a claim or circumstances that might give rise to a claim under “Claims Made” policies.

The following policies are generally underwritten on a “Claims Made” basis:

- Directors’ and Officers’ Liability/Company Reimbursement Insurance,
- Management Liability Insurance,
- Professional Indemnity Insurance,
- Crime/Fidelity Insurance,
- Trustees’ Liability Insurance,
- Employment Practices Liability Insurance.

The trigger of “claims made” policies is the date an Insured or its representative first becomes aware that a potential claim may be made as a result of an alleged breach or an alleged error or omission. This is different from other policies (e.g. General Liability, Property) which operate on an “occurrence” basis where the trigger is the date on which the incident giving rise to the claim occurred.

“Claims Made” policies typically contain an exclusion which provides that the policy will not cover claims where the claim or circumstance was known to the Insured prior to the inception of the policy. Such policies also require that the claim or circumstances which may give rise to a claim in the future, be notified to the insurer within the currency of the policy, as a pre-condition to indemnity.

In effect (and subject to Section 54 of the Insurance Contracts Act), there is no cover for anything known before the policy period or for anything which is known to the Insured during the policy period but not notified to insurer during the policy period.

Aon strongly recommends that all facts and/or known circumstances that may have the potential to give rise to a claim in the future be notified within the current period of insurance.

## Notifiable Matters

The following provides a practical guide as to notifiable matters:

- 1 Claims:
  - civil proceedings or written demand against the Company and/or individual insured seeking damages e.g. letter of demand alleging breach of employment practices duty,
  - criminal proceedings against the Company and/or an individual insured e.g. charge of breach of Occupational Health & Safety Act,
  - administrative or regulatory proceedings e.g. notice of proceedings for breach of Corporations Law regulations.
- 2 Circumstances:
  - awareness of conduct which may give rise to civil proceedings e.g. through allegations of breach of employment practices,
  - awareness of conduct which may have breached laws and which may result in criminal proceedings against an Insured and its representatives,
  - awareness of a breach of regulations which may give rise to administrative or regulatory proceedings.

- 3 Securities Claim:
  - written demand against the Insured seeking damages, e.g. alleging inadequate disclosure in a company document.
- 4 Representation at investigations and examinations:
  - receipt of notice (written or oral) that a representative of the Company and/or individual Insured is required to attend or appear at an official investigation, examination or inquiry into the affairs of the Company.

## Notification procedure

When an employee or officer becomes aware of a potential Claim or Circumstances:

- 1 Immediately advise the responsible staff member or department so that appropriate notification can be given to Aon.
- 2 Information forming part of the initial notification:
  - brief synopsis or overview of the facts,
  - intended course of action contemplated by the Insured in establishing the exposure of any Insured Person and/or the Company in terms of liability and quantum,
  - any additional information available in support of notification.
- 3 When dealing with an initial complaint or potential claim, it is imperative that the Insured and/or its Representatives does not admit liability and does not make any offer of settlement nor incur defence costs without seeking prior approval and consent from insurer(s). To do so could be construed as a failure to comply with policy conditions and has the potential to prejudice Insured's position under the relevant policies.
- 4 Complete insurer's Claim Forms where required.

## Travel, Personal Accident, Expatriate Medical, Baggage and Motor Vehicle claims procedure

As indicated throughout this section of the report, timely notification of claims (and events that may give rise to claims) is critical to the maintenance of effective insurance cover. Timely notification is essential whether claims are dealt with on an occurrence basis or a claims made basis and once the insured has advised Aon of a claim (or incident that may give rise to a claim) it will normally be Aon's responsibility to notify the matter to the insurer.

However, there are a number of classes of insurance coverage where additional handling of claims by Aon can be counter-productive to efficient, timely and cost effective resolution.

Consequently, Aon has developed a procedure whereby simple, low value claims arising from the following coverage classes will in future be directly reported to, and subsequently managed by, Insurers.

The categories are:

- Travel
- Personal Accident
- Expatriate Medical
- Baggage
- Motor Vehicle

The procedure for managing claims that fall into these categories is as follows:

- 1 The client lodges the claim and supporting documentation directly with the insurer either by sending a claim form to the insurer or notifying by telephone, fax or email. Contact details to be provided as part of the renewal process.
- 2 The insurer reviews the claim and undertakes the process of managing the claim to finalisation. If further information is required the Insurer will approach our client directly to obtain such.
- 3 Resolution of the claim will take place between the Insurer and the client.
- 4 If the eventual outcome of the claim fits any of the criteria outlined in the escalation process then the claim is referred to Aon for discussion prior to any outcome being conveyed to the client.

Aon is very much aware that appropriate claims outcomes are of paramount importance to our clients.

To ensure that the right outcomes are achieved in relation to the categories described above, Aon has put in place appropriate Service Level Agreements with Insurers, together with inbuilt escalation points, to ensure that Aon is advised should claims management by Insurers not meet client expectations or the matter is, or could become, complex or of high value.

## Escalation points

The escalation points are designed to ensure that Aon becomes involved in the claim if there is a risk that the outcome could have a detrimental impact on the client. They are built into the process to ensure that Aon Claims Services and the clients Relationship Manager, are engaged by the insurer when necessary.

Examples of escalations include:

- any areas of coverage dispute such as denial, limited indemnity etc.,
- the claim is, or has potential to be of high quantum (>\$100 000),
- claimant is an identified party or VIP e.g.: CEO, CFO, COO, CIO, MD, Partners & Directors.

## Corporate Travel

### Overseas Emergency Assistance

Travel Emergency Cards has been issued by your Corporate Travel insurer and can be obtained from Aon. These cards contain a reverse charge telephone number (as follows) which will allow a traveller to access emergency assistance:



Emergency assistance may include one or more of the following services but only if they are considered necessary and organised by your insurer's Emergency Assistance service:

- repatriation by the most appropriate method including, if necessary, the use of air services. Repatriation will be to the most suitable hospital or to the Insured Person's home address,
- payment of evacuation expenses, including necessary expenses incurred for qualified medical staff to accompany an Insured Person,
- payment of other emergency assistance expenses,
- worldwide 24 hour telephone access,
- emergency travel assistance,
- emergency medical evacuation,
- medically supervised repatriation,
- assistance in replacing a lost or stolen passport,
- legal assistance,
- interpreter access and referral,
- compassionate visit if travelling alone and hospitalised for more than a week,
- assistance in tracing delayed or lost luggage, and
- payment of approved medical services by claims process or redirection of hospital accounts.

## All Other Claims (Non-Emergencies)

- 1 Where there has been loss or theft/burglary of luggage, personal effects, travel documents, laptop computers, money and credit cards, report the loss to the local police or responsible officer of any airline or vessel on which you are travelling. A copy of the police report or the airline's acknowledgment and their reply for compensation must be retained and forwarded to your insurer.
- 2 Complete the Corporate Travel Claim Form and attach additional supporting documentation such as:
  - quotes for replacement baggage,
  - overseas medical invoices,
  - invoices/receipts for emergency purchases of clothing etc.,
  - documentation to support curtailed travel due to illness (e.g. doctors certificate and travel invoices to verify amount claimed),
  - confirmation from airline, hotel and/or police if items are lost or stolen.
- 3 Forward the completed Claim Form, together with all supporting documentation directly to the insurer together with a short covering summary outlining brief circumstances of the claim.

## Personal Accident

In the event of injury, an Insured Person must:

- 1 Follow medical advice from a legally qualified and registered medical practitioner as soon as possible after sustaining the injury.
- 2 Complete the relevant Claim Form and forward it directly to the insurer without delay.
- 3 Undergo any medical examination by a doctor appointed by the insurer if required.
- 4 Provide the insurer with any additional information which they may require about the claim e.g. doctors' report.
- 5 When lodging a claim, an Insured Person must advise the insurer of any other insurance that may cover the same injury.

## Marine Transit

- 1 Should insured goods be received in a damaged condition or if there is any reason to suspect damage, the attention of the Carrier's or Shipper's Representative should be immediately drawn to same and the delivery receipt clausured accordingly.
- 2 In the event of suspected damage, it is suggested that the receipt be clausured "Goods believed to be damaged. Accepted subject to survey in store".
- 3 If there has been any malicious damage, burglary or theft, the police should be notified.
- 4 A letter of claim should be immediately lodged with the Carrier or Shipping Company's Agent holding them responsible. The following is a sample letter of demand:

Dear

We are the owners of machinery/stock which was damaged whilst in transit from [ ] to [ ] on [Date].

Since you were the carrier/shipper, we are holding you responsible for the loss.

We are claiming payment of \$[Amount] from you which is the cost of repair / reinstatement as shown on the enclosed invoice.

Please make payment within seven days from the date of this letter.

Yours faithfully,

- 5 Notify Aon of the loss or damage and provide an estimate of repair or replacement cost. This notification will enable Aon to notify the insurer and arrange for a surveyor if required.
- 6 Send the completed claim form to Aon together with the following documentation:
  - supplier's invoice,
  - bill of lading or consignment note,
  - claim on Carrier and reply,
  - delivery receipt,
  - original freight note or carbon copy,
  - details of possible salvage,
  - any other relevant documentation.

## Workers' Compensation

When an employee sustains an injury as a result of an accident arising out of or in the course of his or her employment:

- 1 The particulars of the injury must be reported to the employee's supervisor.
- 2 Details of the incident must be recorded in the appropriate Register and the appropriate Workers Compensation claim form must be completed.
- 3 The claim form and incident must then be reported to the appropriate insurer or claims agent.
- 4 In the event of a serious accident where there may be a possibility of Common Law action against the Company, the Company Secretary or other designated officer must be advised immediately.