

Note:

From 1/9/2004, the relevant provision for this guideline is Motor Accident Insurance Regulation 2004 – Section 21(1)

MOTOR ACCIDENT INSURANCE COMMISSION

Commission Guideline 2

**RE: Offer of Settlement – insurer’s explanatory statement
[Motor Accident Insurance Regulation 1994 – Section 11(1)]
[Motor Accident Insurance Regulation 2004 – Section 21(1)]**

Under the Regulation where a claimant is not represented by a lawyer an insurer is required to accompany any offer of settlement with an explanatory statement in a form approved by the Commission.

The intent of the provision is to highlight the finality of settlement to persons unrepresented and should a claimant have reservations about the settlement, the advisability of seeking appropriate advice.

In accordance with the above intent the following wording should be incorporated in any future offer of settlement:

“Your acceptance of this offer of settlement will finalise your claim and you will not be able to make any further claim or receive any further payment from (name of CTP insurer/s) for personal injuries you received arising from this accident.

Should you have a concern with any aspect regarding acceptance of this offer of settlement please contact us further, or alternatively it might be in your interest to seek legal advice.”

Graham Hughes
Insurance Commissioner

1 December 1994