

Queensland Floods Commission of Inquiry
Ref. Doc 1694714 (v2)

Declaration in response to a Requirement to Provide a Statement to the Commission

I, PAUL ANDREW FAHEY, of [REDACTED] Dawn Fraser Avenue, Sydney Olympic Park, in the State of New South Wales, General Manager – General Insurance, CommInsure do solemnly sincerely and truly affirm and declare that the taking of any oath is objectionable to me and I do also solemnly sincerely and truly affirm and declare that:

(a) the information in the **Statement to Commission of Inquiry** annexed hereto as Appendix A and dated 23 September 2011 provided by me on behalf of CommInsure to the Queensland Floods Commission of Inquiry pursuant to its Requirement dated 5 September 2011 (as amended on 12 September 2011) has been prepared on the basis of searches of CommInsure's business records and databases and enquiries of staff between 5 September 2011 and 23 September 2011; and

(b) that information is true to the best of my knowledge, information and belief,

I make this solemn declaration conscientiously believing it to be true and by virtue of the provisions of the Oaths Act 1867.

Declared at Sydney, in the State of New South Wales on 23 September 2011 before me:

[REDACTED]

PENELOPE JANE PALMER
Solicitor of the Supreme Court
of New South Wales

[REDACTED]

PAUL ANDREW FAHEY

Response 12:

CommInsure refers to its response to Question 11 which provides an outline of the steps taken in the process by which claims arising from the Queensland floods between December 2010 and January 2011 were processed, assessed and determined.

In this response the term 'site inspections' refers to the attendance at an insured property by a provider referred to in Response 12.1.3 (below) for the purpose of conducting or contributing to the conduct of the claim assessment process.

Response 12.1:

Site inspections were undertaken for the purpose of assisting CommInsure to determine issues relating to liability and, where liable, the quantum of liability for claims arising from the Queensland floods.

Response 12.1.1:

At least one site inspection was undertaken for the majority (79%) of claims which include a home building risk arising from the Queensland floods. In the remaining 21% of cases, site inspections were not undertaken because sufficient information was obtained from other sources (including information provided by policyholders, or obtained from hydrology information) to enable CommInsure to determine liability under the terms of the CommInsure Home Insurance policy – refer to Response 12.2.1 for information relating to these cases.

Response 12.1.2 and 12.1.3:

The timing of site inspections varied during the course of the response to the Queensland floods. In accordance with standard claims management process, the majority of site inspections were arranged at the time of the initial notification and registration of the claim. However, a number of site inspections occurred later in the claims management process as part of subsequent claim reviews where liability had initially been determined on the basis of overarching or area-specific hydrology information (refer to Response 12.3).

Site inspections were undertaken by the providers indicated below:

- Internal assessors;
- External assessors;
- Builders or Building consultants;
- Hydrologists.

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Responses 12.2.3 and 12.2.4:

The claims referred to in Response 12.2.1 were declined without or prior to a site inspection being undertaken where hydrology information contained in overarching hydrology reports provided sufficient evidence in respect of the timing and cause of the relevant losses to determine liability as defined in the CommInsure Home Insurance Product Disclosure Statement (PDS) – for example, determining that a ‘flood’ had caused the loss.

Equally, site inspections were not undertaken in respect of 525 claims where liability for flash flooding was accepted on the basis of overarching hydrology evidence and quantum of loss could be determined by reference to invoices or quotes to substantiate the losses claimed, or in certain circumstances where losses were readily established without a site inspection – for example, losses of fencing, outdoor water pumps or food spoilage.

In both cases, where liability was accepted or declined, the reason for not performing a site inspection was that sufficient evidence in respect of the particular claim had been obtained to adequately determine the cause of loss and any other issues relating to liability.

In respect of the claims referred to in Response 12.2.1 and as appropriate to the circumstances of each relevant claim CommInsure relied upon the following sources of information:

- Reports and descriptions of loss provided by the policyholder;
- Photographs;
- Hydrology evidence;
- Proof of purchase documentation, including invoices or receipts;
- Repair / reinstatement quotations.

Response 12.3.1:

CommInsure engaged WorleyParsons Services Pty Limited to provide hydrology information prior to, during and subsequent to the Queensland floods which occurred between December 2010 and January 2011. In respect of flooding occurring in Queensland, WorleyParsons were engaged continuously from early-October 2010 throughout the period of the Queensland floods for the purpose of providing hydrology information to assist CommInsure to determine liability under the terms of the CommInsure Home Insurance policy.

CommInsure provided written instructions to WorleyParsons – examples are provided below (refer overleaf):

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Response 12.3.2:

A copy of CommInsure's Home Insurance Product Disclosure Statement was provided to WorleyParsons to enable assessment of hydrology information to be conducted having regard to CommInsure's policy wording. WorleyParsons were requested to provide specific timings, reasons for and cause of inundation or damage by water to ensure alignment of outcomes to the CommInsure policy wording.

Response 12.3.3:

CommInsure received reports from WorleyParsons at varying dates during the Queensland floods and subsequent recovery phases. CommInsure refers to the response to Question 12.3.5 in respect of the dates of 'overarching' and 'area-specific' reports.

Response 12.3.4:

Other than as reported within the WorleyParsons reports in CommInsure's possession, CommInsure is not able to provide a complete response to this question as it did not undertake the investigations performed by WorleyParsons.

Response 12.3.5:

Hydrology information obtained from WorleyParsons was variously provided to CommInsure in three different types of reports:

- Overarching reports;
- Area-specific reports;
- Site-specific reports.

Overarching reports and area-specific reports are provided as Annexures to this Response as set out overleaf:

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Overarching reports:

Document	Filename
Queensland Weather Event Report Dec 2010 Final - 7 April 2011	Overarching_070411_301015-01262_41.pdf
Queensland Weather Event Report Dec 2010 Second Draft - 3 Feb 2011	Overarching_030211_301015-01262_41.pdf
Queensland Weather Event Report Dec 2010 First Draft - 24 Jan 2011	Overarching_240111_301015-01262_41.pdf
South-East Queensland Weather Event Report Jan 2011 Final -3 Mar 2011	Overarching_030311_301015-01262_41_REP02.pdf
South-East Queensland Weather Event Report Jan 2011 Second Draft -14 Feb 2011	Overarching_140211_301015-01262_41_REP02.pdf
South-East Queensland Weather Event Report Jan 2011 First Draft – 1 Feb 2011	Overarching_010211_301015-01262_41_REP02.pdf

Area-Specific reports:

Document	Filename
January 2011 South East Queensland Weather Event – Area Specific Report Postcodes 4303 & 4304	AreaSpecific_07032011_301015-01262-41-REP04.pdf
January 2011 South East Queensland Weather Event – Area Specific Report Postcodes 4303 & 4304 and Barellan Point	AreaSpecific_09032011_301015-01262-41-REP05.pdf
December 2010 Queensland Weather Event – Area Specific Report Postcode 4670	AreaSpecific_09032011_301015-01262-41-REP06_01.pdf
December 2010 Queensland Weather Event – Area Specific Report Postcode 4715	AreaSpecific_18042011_301015-01262-41-REP4715.pdf

It is noted that given the widespread damage caused by the Queensland floods, overarching and area-specific reports were vital to enable expeditious decision making both in respect of claims to be accepted and claims to be declined.

Site specific inspections and assessments were undertaken in respect of 102 claims.

Response 12.3.5.1 and 12.3.5.2:

Requests for site-specific hydrology inspections and assessments were made in circumstances where a policyholder indicated that they did not agree with the determination made in respect of their claim based upon the overarching or area-specific report.

In these circumstances, every policyholder was provided with the opportunity to have a site specific report obtained. CommInsure is not aware of any cases in which a site-specific report was refused by

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Area-Specific reports:

Document	Filename
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January 2011 South East Queensland Weather Event – Area Specific Report Postcodes 4303 & 4304 and Barellan Point	AreaSpecific_09032011_301015-01262-41-REP05.pdf
December 2010 Queensland Weather Event – Area Specific Report Postcode 4670	AreaSpecific_09032011_301015-01262-41-REP06_01.pdf
December 2010 Queensland Weather Event – Area Specific Report Postcode 4715	AreaSpecific_18042011_301015-01262-41-REP4715.pdf

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either CommInsure or the policyholder in these circumstances. Site-specific hydrology information was then requested from WorleyParsons.

Response 12.3.6:

CommInsure interprets this question to relate to the purpose for which it sought hydrology information.

But for the geographic area pertaining to specific reports (as described in Response 12.3.5) the nature of the hydrology information sought by CommInsure from WorleyParsons did not vary according to the location of the property.

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17. Were any difficulties encountered in processing, assessing and deciding claims? In particular, did any factors cause delays in this process?

Response 17:

It is inevitable that any natural disaster event causes some degree of 'difficulty' to an insurer's processing, assessing and deciding of claims, and that some degree of delay is more likely to be experienced in claims processing timeframes. For the Queensland floods in particular, a range of factors led to unavoidable delays in the claims process, including:

- Significant call volumes during and in the immediate aftermath of the floods whereby operational focus turned to the orderly registration of notified claims, appointment of loss assessing services, conduct of make-safe repairs and facilitation of emergency payments or alternative accommodation arrangements;
- The larger and more complex nature of providing assessment services where damage was more significant;
- Initial access to properties in certain locations was impeded;
- The high volumes of affected properties and the limitation of assessor resources, especially given that flood damage occurred across a wide-spread geographic area;
- The unprecedented impact of ongoing natural disasters throughout January and February 2011, including floods in Victoria and NSW, Cyclone Yasi, Melbourne flash floods and storms, and bush fires in Western Australia; and
- Limited access to specialist advisors relevant to the specific circumstances of loss – for example, hydrology expertise.

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26. Please outline each step, and by whom each step was or is taken, in the process which CommInsure employed or has employed in responding to complaints and/or disputes in the internal dispute resolution process. Please also outline the information considered and relied upon in determining complaints/or disputes.

Response 26:

CommInsure’s standard complaints and disputes handling process is designed in accordance with the General Insurance Code of Practice’s three-phased approach to complaints management:

- Phase 1 Complaint
- Phase 2 Internal Dispute Resolution (IDR)
- Phase 3 External Dispute Resolution (EDR)

In circumstances where a complaint cannot be resolved within the particular business department to which the complaint relates (for example, the claims department), or where a customer is not satisfied with the outcome of a complaint decision in Phase 1, the complaint is escalated to the Group Customer Relations resolution team as a Phase 2 IDR case. The Group Customer Relations team is a team who are operationally independent of CommInsure.

The steps outlined below describe the Phase 2 IDR process:

Step	Description	Who performs this step?	What timeframes apply to this step?
1. Receipt of internal dispute	IDR Disputes are received in a variety of formats: <ul style="list-style-type: none"> • By phone (1800 number) • By escalation from business department • By email or web-form on CBA Group website • By letter • By fax 	GCR triage team receive and assess all incoming disputes and then allocate to correct product-specific team.	All new disputes have a service standard to be acknowledged and directed to investigating case manager within 2 business days of receipt
2. Initial acknowledgement of receipt of dispute to customer	Telephone call to customer. May also include email if requested by the customer.	Investigating Case Manager	Within one business day of receipt of the dispute by the case manager.

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<p>3. Investigation of issues raised in dispute</p>	<p>By review of information relevant to dispute – commonly this will include:</p> <ul style="list-style-type: none"> • Evidence from and discussions with the customer • External building and engineering reports • Loss Assessor reports • Product Disclosure Statements • Internal departments • Existing system information 	<p>Investigating Case Manager</p>	<p>If all necessary information is received, investigation must be completed within 15 business days of receipt of dispute in line with the General Insurance Code of Practice.</p>
<p>4. Clarification of details of dispute with customer</p>	<p>During the course of investigating the dispute the Investigations Manager may require clarification or additional information from the customer, or may be required to provide updates as to the progress of the dispute.</p> <p>This is requested on an as required basis, subject to the requirement to provide progress updates every 10 days.</p>	<p>Investigating Case Manager</p>	<p>Ongoing requirement during the course of the investigation but at a minimum of every 10 days for the purposes of providing progress updates.</p>
<p>5. Extension application where required – for example, if we are still awaiting reports from third party contractors.</p>	<p>Phone or email contact with customer requesting approval to extend resolution time frame.</p>	<p>Investigating Case Manager</p>	<p>Prior to 15 business days following receipt of the dispute and as required under General Insurance Code of Practice.</p>
<p>6. Outcome of investigation</p>	<p>When the case manager has sufficient information to form an outcome assessment on the dispute, this will be discussed with the customer by telephone prior to being communicated in a written response. The customer is provided with a continuing opportunity to provide further information regarding the dispute.</p>	<p>Investigating Case Manager</p>	<p>If all necessary information is received, investigation must be completed within 15 business days of receipt of dispute in line with the General Insurance Code of Practice.</p> <p>If within an otherwise agreed timeframe with the customer, within agreed timeframe.</p>

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<p>7. Written notification of dispute outcome</p>	<p>A written notification explaining the dispute outcome (a 'final response') is provided to the customer.</p> <p>This response contains:</p> <ul style="list-style-type: none"> • Reasoning for the outcome of the dispute; • Copies of any external reports relied upon in determining the outcome of the dispute; • Details relating to escalation rights to External Dispute Resolution in the event the customer is not satisfied with the outcome. 	<p>Investigating Case Manager</p>	<p>On finalisation of investigation and in conjunction with Step 6.</p>
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All dispute cases are considered on the particular circumstances and merits of the case.

Customers are also given the option at any stages of the IDR process to provide further information or feedback about the dispute process. In circumstances where an outcome is not determined in favour of the customer, the customer is provided with:

- Information concerning the External Dispute Resolution options available (most commonly relating to the Financial Ombudsman Service, including contact details); and
- The option of making any further representations or providing any additional or new information for further review.

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36. Please outline all steps involved in the process after a claim was or is accepted in order to get the insured property repaired or restored or to otherwise settle the claim. What information or steps did or does CommInsure require of policyholders in this process?

Response 36:

CommInsure’s standard claims management steps involved in achieving finalisation of a claim are outlined below:

5. Closing the claim

5.1. Settling a claim (cash, repair, rebuild, replace)

The process steps below document the process required to be followed to successfully settle a claim. This process becomes active once it has been deemed that the claim has been accepted. This would be established in section 2 and 3 of this document. By settling claims by following this process you are driving consistency and excellent customer service in regards to claims management practises.

Step	Procedure
1.	<p>It has been identified that the claim has now been accepted and we are going to progress the claim to settlement. Claim settlement is the stage where the policy responds to the claim and we put actions in place to return the customer into the same or a similar position they were in prior to the claim happening.</p> <p>Deciding where a claim will be accepted or denied should have been established during section 2 and 3 of this document. At this stage, any limits to the claim should also be identified and all parties expectations met in regards to how the policy is going to respond.</p> <p>There are a number of different ways that settlement can happen with a claim. It is the responsibility of the claims Case Manager to make the decision as to how they are going to settle the claim, however, when making this decision they must consider:</p> <ul style="list-style-type: none"> • The customer's circumstances • The circumstances of the claim • The circumstances of the product • The best decision to minimise risk, cost and time for CommInsure, yet maximise customer satisfaction <p>Claim settlement can consist of a combination of different ways of settlement. Follow the below steps to settle your claim.</p>

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Step	Procedure
2.	<p>The claim can be settled by one or a combination of any of the following options:</p> <ul style="list-style-type: none"> • Cash settlement – This is where we pay the customer the cash equivalent of what it would of cost us if we had performed one of the other settlement options (NOTE: Cash settlement is based on the cost we would have had to pay, not the cost the customer would have had to pay, unless the customers quotes are cheaper than ours. Cash settlement must be made for the most cost efficient option that meets the agreed quantum of the loss (e.g. it must be a complying quote for an agreed Scope of Works or replacement etc) • Repair – This involves the Case Manager engaging a preferred supplier to attend to the repairs to either building or contents as agreed during the management of the claim. • Replace – This involves the Case Manager engaging a preferred supplier to attend to the replacement of building or contents as agreed during the management of the claim. • Rebuild – This involves the Case Manager engaging a preferred supplier to rebuild the customer's partial or total building as agreed during the management of the claim. <p>NOTE: Engaging a preferred supplier – Preferred suppliers are located and appointed to the claim using the BOB tool. Refer to the procedure document: Claim Notification & Claim Registration for further information about appointing preferred suppliers to the claim. When settling the claim by either: repair, replacement or rebuilding, we should be using a preferred supplier from the BOB tool to do this.</p>

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Step	Procedure
<p>3.</p>	<p>Cash Settlement?</p> <p>Based on the circumstances of the claim, it may be the best option for all parties involved to cash settle the claim. Cash settlement is always done on the lesser of the amount we would have paid had we engaged one of the other forms of settlement (repair, replacement or rebuild). We should always be basing our cash settlement amount on the quotes provided by our preferred suppliers, unless the customer has provided a cheaper quote.</p> <p>Cash settlement must be made for the most cost efficient option that meets the agreed quantum of the loss (e.g. it must be a complying quote for an agreed Scope of Works or replacement etc)</p> <p>Do you want to cash settle the claim?</p> <p>Yes – Yes, it has been decided that the claim will be cash settled. Proceed to step: 4 of this process.</p> <p>No – No, it has been decided that cash settlement will not be used to settle this claim. Proceed to step: 5 of this process.</p> <p>NOTE: You may use this settlement technique in full settlement or partial settlement. If you are using this settlement process in partial settlement of the claim, refer to the other settlement options to proceed to settle the claim in full.</p> <p>If the quotes for the claim have not come from one of our preferred suppliers (as detailed in the BOB tool), then the claim should be cash settled on the most cost efficient quote.</p> <p>If you are unsure of what to do, refer to your Team Leader.</p>
<p>4.</p>	<p>Cash Settlement</p> <p>It has been decided that the claim will be fully or partially settled by cash payment to the insured(s).</p> <p>Arrange payment to be made directly to the insured(s) by either EFT or Cheque payment for either full or partial settlement of the claim. Refer to Section 5.2 of this document for the steps of how to make a payment.</p> <p>Cash settlement must be made for the most cost efficient option that meets the agreed quantum of the loss (e.g. it must be a complying quote for an agreed Scope of Works or replacement etc)</p> <p>Once the cash settlement payment(s) have been processed, proceed to step: 13 of this process.</p> <p>NOTE: You may use this settlement technique in full settlement or partial settlement. If you are using this settlement process in partial settlement of the claim, refer to the other settlement options to proceed to settle the claim in full.</p>

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Step	Procedure
5.	<p>Preferred supplier engaged?</p> <p>If the quotes which have been received and accepted are not from a preferred supplier (as detailed in the BOB tool) then you should not proceed to engage these suppliers for repairs or replacements. In these situations, the claim should be cash settled on the most cost efficient quote supplied.</p> <p>EXCEPTION: An exception to this is when an agent of CommInsure e.g. an assessor, appoints a supplier that is not detailed in the BOB tool (therefore a non-preferred supplier) to provide quotes for the claim. Under these circumstances it is acceptable for you to engage and make payments to the non-preferred supplier.</p> <p>If you are unsure, please refer to your Team Leader or Technical Manager for guidance.</p>
6.	<p>Engage and proceed with repairs for claim settlement?</p> <p>Using our preferred suppliers to engage and complete repairs to accepted building and contents damages is an efficient way of claim settlement. Having repairs completed ensure we control the repair process and ensure repairs are completed in a timely and acceptable manner. This is crucial in regards to underwriting reviews, as un-repaired damages, can mean that policy renewal will not be offered.</p> <p>Do you want to authorise repairs for the claim?</p> <p>Yes – Yes, I wish to engage repairs to settle this claim. Proceed to step: 7 of this process.</p> <p>No – No, I do not wish to engage repairs to settle this claim. Proceed to step: 8 of this process.</p>

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Step	Procedure
7.	<p>Repairs</p> <p>Repairs can be completed to either building or contents items. It is important you are only authorising our preferred suppliers or suppliers appointed by our agents to attend to the repairs for claim settlement.</p> <p>Instruct the preferred suppliers (or the agent for CommInsure) to proceed with the repairs. Make sure your instructions are accurate and specific. You need to consider the following:</p> <ul style="list-style-type: none"> • Excess collection and value – You may need to instruct the preferred supplier to collect the excess from the insured. The preferred supplier will then deduct this amount from their repairs invoice. • Any limits to the repairs – Before engaging the preferred supplier, the limit of repairs should be discussed, established and agreed. This will ensure that repairs are carried out only to items or areas that are covered by the policy • Make sure you contact the customer – Provide the customer with the contact details and estimated start date for the repairs and instruct the customer of any requirements they may have to follow in regards to the repairs, such as paying the excess to the preferred supplier. <p>All instructions need to be uploaded and documented in FINEOS.</p> <p>Once settlement by repairs has been processed, proceed to step: 13 of this process.</p> <p>NOTE: You may use this settlement technique in full settlement or partial settlement. If you are using this settlement process in partial settlement of the claim, refer to the other settlement options to proceed to settle the claim in full.</p>
8.	<p>Engage and proceed with replacement for claim settlement?</p> <p>Using our preferred suppliers to engage and complete replacement of accepted building and contents items is an efficient way to settle claims. Having replacements completed ensure we control the replacement process and we can ensure it gets completed in a timely and accepted manner.</p> <p>Do you want to authorise replacements for the claim?</p> <p>Yes – Yes, I wish to authorise replacements to settle this claim. Proceed to step: 9 of this process.</p> <p>No – No, I do not wish to authorise replacements to settle this claim. Proceed to step: 10 of this process.</p>

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Step	Procedure
<p>9.</p>	<p>Replacements</p> <p>Replacements can be completed to either building or contents items. It is important you are only authorising our preferred suppliers, or suppliers appointed by our agents, to attend to the replacements for claim settlement.</p> <p>Instruct the preferred suppliers (or the agent for CommInsure) to proceed with the replacement(s). Make sure your instructions are accurate and specific. You need to consider the following:</p> <ul style="list-style-type: none"> • Excess collection and value – You may need to instruct the preferred supplier to collect the excess from the insured. The preferred supplier will then deduct this amount from their replacement invoice. • Any limits to the replacement – Before engaging the preferred supplier, the limit of replacements should be discussed, established and agreed with the customer and supplier. This will ensure that replacement relates only to items or areas that are covered by the policy • Make sure you contact the customer – Provide the customer with the contact details and estimated date for the replacement and instruct the customer of any requirements they may have to oblige by in regards to the replacement, such as paying the excess to the preferred supplier. <p>All instructions need to be uploaded and documented in FINEOS.</p> <p>Once claim replacement has been processed, proceed to step: 13 of this process.</p> <p>NOTE: You may use this settlement technique in full settlement or partial settlement. If you are using this settlement process in partial settlement of the claim, refer to the other settlement options to proceed to settle the claim in full.</p>
<p>10.</p>	<p>Engage and proceed with rebuild for claim settlement?</p> <p>Using our preferred suppliers to engage and complete rebuilding of accepted building items is an efficient way to settle claims. Having rebuilding completed by our preferred suppliers ensure we control the rebuild process and we can ensure it gets completed in a timely and acceptable manner. This is crucial in regards to underwriting reviews - a property that requires rebuilding will be reviewed at the time of policy renewal.</p> <p>Do you want to authorise rebuilding for the claim?</p> <p>Yes – Yes, I wish to authorise the rebuilding of this property to settle this claim. Proceed to step: 11 of this process.</p> <p>No – No, I do not wish to authorise rebuilding to settle this claim. Proceed to step: 12 of this process.</p>

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Step	Procedure
<p>11.</p>	<p>Rebuilding</p> <p>Rebuilding can only be completed to the building portion of the claim. It is important you are only authorising our preferred suppliers or suppliers appointed by our agents to attend to the rebuilding for claim settlement.</p> <p>Instruct the preferred suppliers (or the agent for Comminsure) to proceed with the rebuilding. Make sure your instructions are accurate and specific. You need to consider the following:</p> <ul style="list-style-type: none"> • Excess collection and value – You may need to instruct the preferred supplier to collect the excess from the insured. The preferred supplier will then deduct this amount from their rebuilding invoice. • Any limits to the rebuilding – Before engaging the preferred supplier, the limit of rebuilding should be discussed, established and agreed with the customer and supplier. This will ensure that the rebuilding is carried out only to areas that are covered by the policy • Make sure you contact the customer – Provide the customer with the contact details and estimated date for the rebuilding to start and finish, and instruct the customer of any requirements they may have to follow in regards to the rebuilding, such as paying the excess to the preferred supplier. <p>All instructions need to be uploaded and documented in FINEOS.</p> <p>Once the rebuilding has been completed, proceed to step: 13 of this process.</p> <p>NOTE: You may use this settlement technique in full settlement or partial settlement. If you are using this settlement process in partial settlement of the claim, refer to the other settlement options to proceed to settle the claim in full.</p>
<p>12.</p>	<p>No decision has been made</p> <p>The claim once accepted can only be settled by either one of, or a combination of the following settlement techniques:</p> <ul style="list-style-type: none"> • Cash settlement • Repair • Replace • Rebuild <p>In order to proceed with the settlement and closure of the claim, make a decision as to which method of settlement will be most efficient and effective for the claim circumstances and then refer back to step: 3 above to proceed.</p> <p>NOTE: If you are unsure which is the best method of settlement for your claim, then refer to your Team Leader or Technical Manager for guidance.</p>

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Step	Procedure
13.	<p>Customer satisfied with the claim settlement?</p> <p>When the settlement method you have engaged is completed, you need to confirm with the customer that they are satisfied with the outcome prior to proceeding to claim closure.</p> <p>Generally you will only need to confirm customer satisfaction with settlement when you have engaged the methods of repair, replacement or rebuilding to settle your claim.</p> <p>Contact the customer to establish if settlement occurred and they are satisfied with the outcome.</p> <p>Customer satisfied with settlement?</p> <p>Yes – Yes, the customer is satisfied with the outcome of the settlement method you engaged for claim closure. Proceed to step: 15 of this process.</p> <p>No – No, the customer is not satisfied with the outcome of the settlement method you engaged for claim closure. Proceed to step: 14 of this process.</p> <p>NOTE:</p> <p>Catastrophe and Disaster Claims</p> <p>If the claim is a property claim arising from a catastrophe or a disaster and the claim has been settled within <u>one month</u> of the catastrophe or disaster, you must inform the customer of:</p> <ul style="list-style-type: none"> • Their right to request a review of their claim within six months of the settlement; and • Information about our complaints handling procedures.

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Step	Procedure
<p>14.</p>	<p>Customer is not satisfied with claim settlement</p> <p>Contact the customer and establish why they are not satisfied with the settlement method you have engaged for claim closure. Possible reasons for this may include:</p> <ul style="list-style-type: none"> • Goods not delivered • Goods did not meet customer's expectations • Repairs were not completed to the satisfaction of the customer • Rebuilding was not completed to the satisfaction of the customer <p>The above examples highlight some potential areas that the customer may not be satisfied with in regards to claim settlement. However, contact the customer to establish exactly why they are not satisfied.</p> <p>Once it has been established what the customer is not satisfied, you will need to liaise with the preferred supplier and work towards resolving the customer's concerns.</p> <p>Remember to always apply policy terms and conditions and work within your delegated authority level.</p> <p>Once you have done all that you can to satisfy the customer, return to step: 13 of this process to proceed.</p> <p>NOTE: In some circumstances it may be difficult to satisfy the customer. As long as you have abided by the terms and conditions of the applicable policy, worked within your delegated authority level and escalated the matter through the appropriate process (eg. complaints and disputes process), you may proceed without the customers satisfaction confirmed.</p>
<p>15.</p>	<p>Make payment</p> <p>Once it has been established that the claim can be settled, then the claim can proceed and payments can be made to allow final closure of the claim. When reviewing invoices, make sure you check the following:</p> <ul style="list-style-type: none"> • The amount – This needs to be consistent with what has been quoted and agreed upon. If there are differences, then you will need to establish why by contacting the supplier and obtaining justification for the differences • Who the invoice is from – Make sure this is consistent with the quote you have accepted and authorised. • Excess collection – If you instructed the supplier to collect the excess, ensure this has been collected and is clearly detailed on the invoice. <p>Refer to Section 5.2 of this document for the steps involved in making a payment for a claim.</p>

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