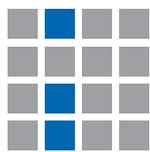


TIPS ON GENERAL INSURANCE:  
**PREPAREDNESS  
AND RECOVERY**

# THE IMPORTANCE OF HAVING GENERAL INSURANCE



**Insurance is an important component of an individuals and businesses risk management program. That is why, the Insurance Council and its members have provided these important tips on General Insurance. Using insurance to cover your family and your business contributes to removing the need to rely on others for assistance in the unfortunate event you are affected by an accident or disaster.**

With the types of insurance available from the general insurance market you can purchase insurance to cover you for travel in Australia and overseas, your car, your jewellery, your home and its contents and even your pets.

Purchasing the right insurance product - at the right level to cover your assets like your home, car, and furnishings will ensure that if you ever experience damage or loss to these key assets you will be able to replace these and get back on your feet quickly.

The general insurance industry is extremely competitive in Australia and as a result there are a large number of different types of insurance products available for people to choose from that meet their personal insurance needs. Insurance is also competitively priced so it pays to shop around from insurer to insurer.

Once you have insurance it is important to keep your policy up to date to ensure that you are covered at the right level for the right amount of money. Checking the value of your assets against your insurance cover on a regular basis such as every twelve months is highly recommended.

In Australia, the Insurance Council estimates that over 1.8 million homes or 23 per cent of all Australian households do not have any form of home or contents insurance. Even for those with insurance, not everybody regularly checks that the level of insurance they have is the right amount for them. It is often only at times when disaster strikes that people realise they do not have the correct level of insurance and that they are under-insured.

## HOME AND CONTENTS INSURANCE

Like the name suggests home insurance may be purchased by the homeowner to cover the loss of assets in the event of an insurable event such as, fire, cyclones and storms. Contents insurance protects the homeowner for financial loss if the contents of the home, including, furniture, clothes, electrical goods are destroyed by theft or damage.

General Tips on Home and contents insurance:

- List the contents of every room and estimate their replacement value
- An updated checklist of all assets in and around your home will help at policy renewal time
- Make a note of any serial numbers or identity marks for valuable items
- For unusual items, take photographs or a video to help in their description.

# THE IMPORTANCE OF HAVING GENERAL INSURANCE

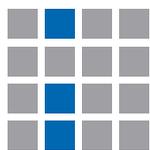
## BUSINESS INSURANCE

A strategic risk management program, based on questionnaires, surveys, reports and sound advice from professionals (such as insurance brokers and financial planners etc) can assist you to actively protect your business. Insurance, as part of this program, will give you peace of mind that you may be able to resume trading in the event of a disaster or a liability claim against your business. There are a number of different cover options that should be considered when considering business insurance including, business interruption, property damage, public and products liability, professional indemnity and workers compensation. General Tips for Business insurance:

- Shop around when purchasing insurance
- Buy an insurance package of policies, which may be less expensive than purchasing individual policies.
- Correctly estimate the assets insured and regularly update them on your policy. This will also avoid the risk of under and over insurance.
- It is important to know exactly what will be covered for under your insurance policy. Talk to your insurance provider who can assist you to determine the correct level of insurance that you need to adequately cover your business.

When purchasing any form of insurance it is important to take into consideration your individual risk requirements and purchase a policy that is suitable to your individual circumstances. As the general insurance industry is highly competitive it is advisable to shop around to source the best policy to suit your individual needs. It is important to note that the cheapest policy will not always provide the correct level of cover for your individual circumstances.

# RECOVERY AND CLAIMS ADVICE



The following tips are to assist both individuals and businesses during claims and disaster recovery circumstances:

- Make contact with your insurance company as soon as possible after the event to register your intention to claim and seek advice about the claims process under your policy.
- It will assist and may fast track the claims process if a detailed inventory (with photographs) is compiled, eg if any food has been spoiled.
- Do not be concerned if your insurance policies are lost or destroyed in a natural disaster. Insurance companies keep records electronically and only require the policyholders name and address in order to process a claim.
- If your home or business property is damaged from a storm or cyclone conduct temporary repairs only – to prevent further damage. Do not conduct major repairs before contacting your insurer.
- If your assets, such as, furniture, clothing and/or carpets are damaged because of an insurable event remove these items as part of a general clean-up. If possible they should be kept in a safe location so they can be inspected as part of the claims process if necessary.
- Insurance policies will vary. It is important to check with your insurer to determine whether the following options are available under your policy:
  - The cost of recovering livestock and fence repairing after a natural disaster (specific to rural areas, classification should be sought from your insurance provider).
  - The cost of removing debris from your home or business, destroyed by wind storms or cyclones. Check before removing and/or arranging for removal.
  - Temporary accommodation costs. Conditions may apply.
  - Spoilage of food in fridges and freezers due to a power failure. Insurers have a fixed limit for food, product or perishable goods spoilage.

# DISPUTE RESOLUTION PROCEDURES



In 2006, the insurance industry established a new General Insurance Code of Practice which sets out agreed standards and responsibilities for companies and organisations that have signed up to the Code. Copies of the General Insurance Code of Practice are available at [www.codeofpractice.com.au](http://www.codeofpractice.com.au)

Members of the Insurance Council (the peak body of the general insurance industry) are signatories of the Code.

The Code has been designed to raise the customer service standards in the Australian general insurance industry and protect the rights of policyholders.

As detailed in the Code if you are unhappy about your claim you need to take it to your insurers Internal Dispute Resolution (IDR) process (all insurance providers are required to have this process) and ask for an IDR decision.

If the dispute remains unresolved or you are unhappy with the insurers IDR decision then you can contact the Insurance Ombudsman Service (IOS) which is a free External Dispute Resolution Service. You need to contact the IOS within three months of your insurance providers IDR decision.

To contact the IOS visit [www.insuranceombudsman.com.au](http://www.insuranceombudsman.com.au) or freecall 1 300 780 808.