

# MOTOR ACCIDENT INSURANCE COMMISSION

## Commission Guideline 2

### Offer of Settlement – insurer’s explanatory statement

[*Motor Accident Insurance Regulation 2004 (MAI Regulation) – Section 21(1)*]

[*Motor Accident Insurance Regulation 1994 – Section 11(1)*]

(Amended 10 January 2013)

Under the MAI 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 explanatory statement is to highlight the finality of settlement to a claimant not represented by a lawyer. Further, the explanatory statement must inform a claimant that should they have any doubts about the settlement, they should seek appropriate advice.

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

*“Please be aware that 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 any concerns regarding acceptance of this offer of settlement, please contact us. You may also wish to obtain independent advice.”*

Neil Singleton  
Insurance Commissioner  
10 January 2013

First Issued: 1 December 1994