

## **Step 1. I agree to the amount without an itemised quote and want to offer a lump sum**

If you agree to the amount without an itemised quote and are able to offer a lump sum, even if it is less than the amount claimed, you can make an offer to settle the damages in full and final settlement. It is always best to get the settlement confirmed in writing. Be clear on what it is you are settling – if it is the full amount, or just the cost of repairs, does it include hire car costs. If you only settle the repair cost, you can find yourself being chased later for other costs (eg. hire car) from the insurer, or the other driver directly. Use our [Offer to Pay an Insurance Debt Sample Letter](#). Ultimately, if a negotiated outcome cannot be reached, the insurer can start court action for the amount they believe is justified. A court would then decide the correct assessment of damages based on the available evidence.

If you are experiencing financial hardship in relation to the damage (no matter if the amount was reduced) and you cannot afford to repay, you should make an appointment to see a Financial Counsellor (1800 007 007) and negotiate under the General Insurance Code of Practice for a reduced amount, payment plan or a release from the liability. Use our [Offer to Pay an Insurance Debt Sample Letter](#), where you can offer a payment arrangement that suits your needs or use our [Requesting a release from a debt Sample Letter](#).