

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

If you agree to the amount without an itemised invoice/quote and are able to pay a lump sum, even if it is less than the amount claimed, you can make an offer in full and final settlement. **Confirm any settlement in writing** You should always get any settlement confirmed in writing. You should also be clear on what it is you are settling – is it all losses arising from the accident, or just the cost of repairs, or just hire car costs. If you only settle the repair cost, you can find yourself being chased later for other costs (e.g. hire car) from the insurer, or the other party directly. To find out how to confirm a settlement see:

- [Put it in writing](#) on the LawAccess NSW website
- [Sample terms of settlement](#) on the LawAccess NSW website.

If you are dealing with an insurer see:

- Sample Letter to the other party's insurer offering to pay an insurance debt on our website

If you can't agree on a settlement, the other party (or their insurer) can start court action. Note: Legal costs and Court costs maybe added onto the amount claimed. Note: You can defend the claim by filing a defence. Before filing a defence, you should get legal advice. The Court will decide the damages based on the evidence. The Court may also make order that one party pay the other party's costs. For example, the Court may order the losing party pay the reasonable legal costs of the winning party. If you are arguing that the amount claimed is too much, you must be prepared to pay, or start paying, the amount you know you owe. To respond to a claim following a car accident see:

- [Responding to a Statement of Claim](#) on the LawAccess NSW website.

If you have received court documents, you should get [legal advice](#). You can start by contacting LawAccess NSW on 1300 888 529. You may be able to get free legal assistance from [Legal Aid NSW](#) or your local [Community Legal Centre](#). If you are

unable to get free legal assistance, you may need to speak to a private lawyer. To find a private solicitor, contact the [NSW Law Society](#). **Financial hardship** If you are experiencing financial hardship and you can't afford to pay:

- If you are insured (comprehensive or third party property insurance), you should consider lodging a claim with your insurer immediately. If you can't afford to pay your excess, select the option "I can't afford my excess" below.
- If you can't claim on your insurance, you should speak to a Financial Counsellor. To speak to a free Financial Counsellor, call the National Debt Helpline on 1800 007 007. You may be able to negotiate a reduced amount, payment plan or a release from the liability under the General Insurance Code of Practice.

To offer a payment arrangement that suits your needs see:

- [Sample Letter to the other party's insurer offering to pay an insurance debt](#) on our website

To request a release see:

- [Sample letter to insurer requesting a release from debt](#) on our website