

Commercial Vehicle Insurance Claims Process

Outline of Topics to be discussed :

1. Scope of Cover of CTPL (Comprehensive Third Party Liability)
2. Scope of Cover of a Comprehensive Insurance Policy
3. Difference of Comprehensive Insurance and CTPL
4. Relationship of Comprehensive Insurance and CTPL
5. Claims Documents checklist
6. Setting the foundation to be able to claim
7. Use of technology as a tool to enhance claims process

CTPL Policy - Comprehensive Third Party Liability

CTPL is required insurance cover by Government (LTO).

For new vehicles - CTPL is good for 3 years.

After the third year - renewal will be on an annual basis which will be done on vehicle registration month.

Coverage of CTPL

Comprehensive Third Party Liability - Coverage extends to Death Indemnity, Burial Expenses, Body Injury, Surgery and hospital bills.

CTPL Date and COC (Certificate of Coverage)

The CTPL Comes with a COC (Certificate of Coverage) which has an Authentication Number. LTO will require an **Authenticated COC** when you register the vehicle.

Correct CTPL effective date - First day of following month after registration month

Example : Plate number ends 7 - CTPL Effective date should be August 1

Comprehensive Insurance Scope of Cover

Own Damage/ Theft - Based on Market Value

Third party Property Damage - Limits available up to P500K

Extended Third Party Body Injury - second layer to respond in the event that CTPL limit of P100K is fully consumed.

ACTS of NATURE - Optional cover with additional premium

AUTO PERSONAL ACCIDENT - coverage for driver and passenger in case of accident

STRIKE, RIOT, CIVIL COMMISSION

Own Damage Theft

Based on Fair Market Value

Fair Market Value is determined via a third party provider.

Third Party Property Damage

Coverage in the event that Insured or authorized driver is at fault.

Third Party Property - Most common third party property is another vehicle. Other examples would include motorcycle, Bike, Gate, lamp post , signage, road barriers.

Insurance Companies generally give up to a max P200K limit for third party property damage. This is because third party property damage claims of commercial vehicles are higher than private cars.

Extended Third Party Body Injury

Amount you can claim in excess of CTPL.

The CTPL is the first layer for third party body injury claims.

The Extended Third Party Body Injury from the comprehensive policy will only respond once the CTPL limit is fully consumed or maxed out.

Use the same Insurance Provider for CTPL and Comprehensive Insurance

If you use different insurance companies for CTPL and Comprehensive - it will be difficult as you the comprehensive insurance will require complete documentation from CTPL Insurer showing that full CTPL limit was consumed and utilized.

If you have the same insurance provider for Comprehensive and CTPL - it will be easier as you will only be dealing with one insurance company for documents submission.

Government now requires to coincide Effective date for both Comprehensive Insurance and CTPL.

This directive is good as you can instruct insurance company to renew both comprehensive and CTPL at one time.

Requirements for Own Damage Claim without Third Party Involved:

- Updated OR CR
- Updated Drivers License (Both card and paper receipt)
- Pictures of Vehicle showing plate number
- Pictures of damage portion of vehicle
- Repair estimate from accredited shop
- * Some insurers will require inspection even form small damages while others are ok with pictures
- * For large damage - insurers will inspect the vehicle

Notarized Affidavit or claim form provided by Insurance Companies

The Affidavit should include the ff:

1. Date, time and place
2. Details of your Vehicle and who was driving
3. Narrate what happened

Requirements for Third Party Property Damage Claim:

If you are at fault and cause damage to another vehicle or third party property:

From Assured:

OR, CR, Driver's License (both card and paper receipt), Police Report, Pictures of vehicle and damage.

From Third Party:

OR, CR, Driver's License (both card and paper receipt). Pictures of Vehicle and damage. Repair estimate from accredited shop of Assured.

Certificate of No Claim from Insurance Company

Requirements for Third Party Body Injury Claim :

- 1.Driver's License, OR CR, Police report
- 2.ID of the person you injured
- 3.Medical and Hospital docs - Medical Certificate, Medical Abstract, lab test results, x-rays and their diagnostic test done. Prescribed Medicines, Doctor's Fees.
- 4.Insurance companies can pay via reimbursement for third party body injury claims

Requirements for Acts of Nature Claim:

- 1.You can use a notarized affidavit and submit OR CR and Driver's License
- 2.Insurance companies will inspect vehicles that fall under Acts of Nature Claims

Requirement for Stolen Vehicle:

1. Original Alarm Sheet from Police Station
2. Original and duplicate keys of vehicle
3. Original Certificate of Non Recovery from HPG

There is a 90 day waiting period to be able to recover the car.

Insurance company will require a notarized deed of sale with insured upon claim payout.

Setting the foundation to be able to claim

Make sure the following is in order :

1. All Vehicles have updated OR CR
2. All Drivers have Professional Driver's License and are always updated and not expired.

Expired OR CR, Expired Drivers License and wrong type of Drivers License can be grounds for a claim to be denied.

If Another Vehicle is not insured and damages your vehicle

*The other vehicle can offer to pay for the repairs without going through insurance . - This is okay as long as other vehicles fully compensate you for repairs

*The other vehicle will tell you to declare hit and run to your vehicle in order that he is free from any liability or tell you to indicate in the police report that both are not a fault - **Not Recommended** as this will compromise your ability to claim if insurance companies investigate and finds out that you are not being truthful.

If another vehicle says lets just claim from our own respective insurance companies

If a third party vehicle bumped your vehicle and has **comprehensive insurance** - it is better to claim from the insurer of the third party for your repairs as there is no participation for liability claims.

Always get one police report for the accident.

How Participation is computed:

Participation = Deductible + Depreciation

Deductible - 0.5% or 1% of the FMV of vehicle indicted in the policy

Depreciation - applied to parts for vehicles above 3 years old.

3 years old to 4 years- 25%

Over 4 years to 5 years - 30%

The highest depreciation rate is 45% (for vehicles 7 years old and above)

You can opt to omit depreciation by using surplus or replacement parts

Use of technology and smart phone as a tool

- Take photos on the spot of the impact position of the accident. By doing so, pictures will evidence if the other party will try to twist or give false statements on what really happened.
- Inform Driver to take photos of impact position, other vehicle showing plate number, Drivers License and OR CR of the other party. The other party may try to hide if you try to secure his documents after the accident.