



Consumer Protection Code
Consumer Protection Codes Department
Central Bank of Ireland
PO Box 559
Dame Street
Dublin 2

7th January 2011

Re: Consumer Protection Code

Dear Sir/Madam

I thank you for the opportunity to review the proposed revisions in the Consumer Protection Code. Having reviewed the document with our team and focusing in particular on the sections covering personal injury claims, I am pleased to confirm that the feedback is very positive. A few points did arise and I summarise below:

1. Paragraph 9 (a) – InjuriesBoard leaflet

I welcome the requirement for all claimants to be furnished with a leaflet detailing the Board's involvement/process. It would also be important to make it unambiguous that this leaflet is distributed "to the claimant/his advisor/s as soon as the entity is notified by their policyholder, a third party claimant, a broker or any party".

This ensures the claimant is permitted to be informed at the earliest opportunity and make an informed decision before deciding to, for example, consider accepting an offer of early settlement, engage a legal advisor, incur costs etc. The Board's leaflet will set out the resolution options open to claimants in simple terms.

2. Early settlement of personal injury claims

The Board encourages early settlement of personal injury claims but only when a final Medical prognosis is available. The term final prognosis does not require final recuperation before settlement/award but, as is best practice, the Board ensure that personal injury awards are based on a final Medical prognosis (i.e. the medical report confirms that in the opinion of the doctor/medical specialist, this injury has healed or will heal within the following approximate timeline with no complications anticipated). Otherwise the claim value should not be quantified until a more definitive prognosis becomes available after further treatment and/or recuperation etc. This allows for a fair



assessment of the compensation and ensures that a claimant receives their full entitlement.

Historical and current data show that personal injury claims are by in large low to medium in severity with attendant financial settlements falling below €40,000. It is the volume of such low to medium value claims that drive financial/claims outlays.

In order to ensure that claimants are safeguarded and not encouraged to accept an early financial settlement which may not reflect the full extent of the injury when a final medical prognosis has not been obtained, I propose that it is required that "all personal injury early settlements are only pursued when an expert medical report is on file with a final prognosis" reflecting the medical expert's professional opinion as is required already with Injuries Board cases and those proceeding to the Courts.

The Board resolve claims within of 9 months of an application and find no difficulty in commissioning medical reports which satisfy our timelines but note that of the circa 30,000 personal injury claims in the country each year, an increasing volume are the subject of early settlement of claims, even before the Board are notified. This is in the interest of the claimant and society as whole provided such claim resolutions reflect the full value of the compensation due, which can clearly only be determined on receipt of a professional medical report with a final prognosis. To safeguard against any inappropriate early settlements, there should be no objection to maintaining a final medical prognosis on all files settled at this early point.

3. Paragraph 9 (b) - MIBI

The Board continues to encounter claimants at our service centre who are unclear where to turn to when the identity of the offending Motor policyholder/Motor Insurance Company is unclear or indeed where there is no Motor insurance cover at all.

Under the 5th EU Directive the MIBI (Motor Insurers Bureau of Ireland) is the designated office to 1. process claims involving uninsured vehicles or to 2. locate an insurer from their Information Centre database and redirect the claimant. A claimant is not required to nominate an insurer if the identity is unknown and should process a claim by inserting the MIBI name in lieu of the unknown or non existent Insurance company name. The MIBI is then obliged to manage the claim as any Insurer would unless they identify an Insurer and redirect.

"In the event of a claimant being unclear as where to seek compensation arising from a Motor claim", I propose that "as soon as such a claimant or their representative makes contact with any broker/Insurer, the entity should provide a leaflet from the Motor



Insurers Bureau of Ireland" setting out the process to claim against an uninsured or unidentified party".

I am available to support or expand upon any aspect of this submission and wish you well with publication.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Patricia Byron", with a long horizontal flourish extending to the right.

Patricia Byron
Chief Executive