



Wide Bay Burnett
Community Legal Service



Hervey Bay
Neighbourhood Centre
The Heart Of Our Community

The Doorknock After the Storm:

Insurance Claims Management
Companies

Acknowledgment of Country

We acknowledge the Butchulla people, the Traditional Custodians of the land on which we live and work and recognise their continuing connection to land, water and community. We pay respect to Elders past and present. We extend that respect to Aboriginal and Torres Strait Islander people viewing this material today.



Disclaimer

The material contained throughout this presentation is provided for general information and educative purposes. The content does not constitute legal advice or recommendations and should not be relied upon as such. Appropriate and timely legal advice regarding your personal and specific circumstances should be obtained.

This fact sheet is current as at 11/6/26. We do not guarantee that the advice in this sheet will remain current over time. Please make an appointment if you require current, specific personal advice.



Lovely Weather We're Having!

- All Queenslanders know that we are subject to frequent, often severe, weather events which can cause damage to our homes.
- Most people, very sensibly, insure their homes against those risks.
- When your home is damaged by a storm, the thought of dealing with the insurer can sometimes be a bit overwhelming.



Claims Management Companies

- After major hailstorms and severe weather events, some businesses go door-to-door offering to “manage” your insurance claim for you.
 - These businesses may describe themselves as:
 - Claims management companies
 - Insurance claim specialists
 - Storm claim consultants
 - Property damage consultants
 - Insurance advocates



Claims Management Companies

Some claims management companies charge a percentage of your insurance payout. Others arrange repairs through associated contractors. That's what's in it for them, and that's why they have knocked on your door.

A more relevant question is: what is in it *for you*?



Claims Management Companies

Do I need a claims management company to assist me?

No. YOU DO NOT need a Claims Management Company to make a home insurance claim.

- In most cases, you can:
 - Contact your insurer directly;
 - Lodge your own claim;
 - Obtain repair quotations yourself; and
 - Deal directly with the insurer's assessor.
- Doing so is generally not as difficult as it may first appear, allows you to maintain control of the process, and *costs you nothing additional to your usual excess.*



Claims Management Companies

So are claims management companies a “scam”?

- It is not accurate to simply describe these operators as a “scam”. They do offer a service, which is generally to act on your behalf in dealings with your insurer. However, it is a service you may not really need, and some companies may apply sales techniques or tactics to convince you to sign up (usually on the spot) anyway.

These may include:

- A door-to-door, unsolicited approach which leaves homeowners without the time and space to consider their situation objectively, obtain independent advice and make an informed decision;
- Implying that there are urgent time pressures, or a “deal” which is time-limited, with the intent to convince a homeowner to sign up quickly;
 - Telling you they can obtain priority access to tradespeople;
 - Exaggerating any difficulties involved in making and managing the claim yourself.



Red Flags

BE CAUTIOUS if someone:

- Arrives uninvited after a storm;
- Pressures you to sign immediately;
- Says you must sign to protect your rights;
- Asks for a percentage of any insurance payout;
- Says the service is “free” – but requires a signed contract;
- Discourages you from speaking directly with your insurer;
- **Asks you to sign on a tablet or phone without giving you time to read the documents;**
 - Refuses to leave the documents for later consideration.



Before you sign anything

ASK:

- What exactly will you do that I cannot do myself?
 - How much will I pay?
- Is your fee a percentage of my insurance payout?
 - Am I liable for fees if I cancel?
- Are you associated with a roofing or repair company?
- Can I take the contract away and get legal advice first?
- Also ask yourself: if the company takes a percentage from any settlement, *will I still have enough left over to actually fix all the damage?*



Before you sign anything

NEVER SIGN A CONTRACT YOU HAVE NOT FULLY READ AND UNDERSTOOD.

A verbal summary from the salesperson is *not* a reliable alternative to fully reading and comprehending the contract.

It may be difficult to later prove that a salesperson verbally misled you or misrepresented the terms of the contract, and you may find that you are bound to the contract's terms even if you would not have agreed to them had you fully understood what you were signing. Sometimes (not always) it is possible to obtain a legal exit from the contract, or to successfully resist a termination fee, including because the cancellation or penalty clause may be unfair and unenforceable under Australian Consumer Law. However, it is usually *far preferable* not to get into that position in the first place.



Before you sign anything

If you are in any doubt whatsoever, do not sign. Ask the salesperson for a complete copy of the proposed contract, so you can take it away and get legal advice before making a decision. If you reside within the Wide Bay region, you are very welcome to contact us for an appointment, and one of our solicitors will sit down with you to ensure that you understand the proposal fully and can make an informed decision about whether or not to proceed.

Any salesperson who refuses to supply you with a draft, *unsigned*, copy of the contract for the purpose of obtaining legal advice is not behaving in a transparent or trustworthy manner. You should *not* be considering whether to just sign anyway; consider instead asking them to simply *leave your premises*.

Once you are bound to the contract, it may not be possible to escape it without penalty. As at the date this fact sheet was prepared, we have *never* had a client approach us *before* they signed. We would much rather see you beforehand, so that we can ensure you understand exactly what you are signing up to.



Door to Door and Telemarketing Rules

- Unsolicited door-to-door and telemarketing sales companies are required to adhere to the following standards:
 - Can only contact you between 9am and 6pm (8pm for telemarketers), Monday to Friday and between 9am and 5pm on Saturdays;
 - Must not contact you outside of those hours, nor contact you on a public holiday or a Sunday;
 - Must:
 - Tell you the nature of their visit or call;
 - Leave at any time when asked;
 - Inform you of your **cooling-off rights** (see later in this fact sheet);
 - If you enter into an agreement or contract, give you a written copy of the contract.



Door to Door and Telemarketing Rules

- Any agreement or contract must:
 - Be signed;
 - State that the salesperson is acting on behalf of a business;
 - Outline the total cost including any fees or GST;
 - Include information about your cooling-off rights;
 - Include their contact details.

See also the Queensland Government Fact Sheet “Door to door sales, telemarketing and travelling traders” : <https://www.qld.gov.au/law/your-rights/consumer-rights-complaints-and-scams/buying-products-and-services/understanding-sales-practices/door-to-door-telemarketing-sales-rules>



Cooling Off Rights

- In Queensland, a contract signed on your doorstep after an uninvited approach by a door-to-door salesperson will usually be an “unsolicited consumer agreement” under the Australian Consumer Law, provided the salesperson approached without invitation, and the transaction is worth more than \$100 (or the price cannot be determined at the time of the agreement).
- In such a case, you will usually have **TEN (10) BUSINESS DAYS** to cancel the contract, for **ANY** reason and **WITHOUT** penalty. Those rights cannot be waived (given away) by a consumer, and it is unlawful for a supplier to try to persuade a consumer to do so.
- To terminate the agreement within the cooling off period, you must let the supplier know, either verbally or in writing (doing so in writing is *strongly* recommended).
- Note that it is generally NOT considered an unsolicited consumer agreement if the salesperson has attended at your request.
- See also Legal Aid Qld’s consumer guide to buying goods and services:
<https://www.legalaid.qld.gov.au/Find-legal-information/Work-and-money/Consumer-rights/Buying-goods-and-services>



What if the Cooling Off Period has elapsed, and I want to terminate?

- Act quickly. The longer you leave it, the more the company may seek to charge you for work they may say they have already completed on your behalf;
- Obtain a copy of the contract;
- Check the date you signed. If you are still actually within the cooling off period – give immediate notice of termination, do not wait for an advice appointment which might be after the last day of the cooling off period;
- Do not ignore letters or invoices, and specifically do not ignore threats to sue you;
- Keep all text messages, emails or advertising material;
- Seek legal advice as soon as possible.



Important takeaways

- You do not need a claims management company to make or manage a home insurance claim.
- Be cautious of unsolicited door-to-door approaches after storms.
- Do not sign anything on the spot — take time to read and understand all documents.
- Be particularly cautious of percentage-based fees and large cancellation or termination charges.
- You generally have a cooling-off period for unsolicited consumer agreements — but strict time limits apply.
- If you are still within the cooling-off period and wish to terminate the agreement, act immediately to cancel in writing.
- Once signed, resolving disputes can be difficult and may require legal assistance.
- Some contract terms (including cancellation fees) may be challengeable under Australian Consumer Law.
- If in doubt, seek independent legal advice before signing.



Questions

If you would like specific advice you may contact our Reception for an appointment:

- Wide Bay Burnett Community Legal Service (07) 4194 2663

If you reside outside our service district (Wide Bay Qld), please contact your local Community Legal Centre, Legal Aid or Fair Trading for further advice.

This fact sheet represents the law in the State of Queensland. If you live in another State, or another country, you should seek advice relating to the laws in your jurisdiction.

