



## FROM THE INSTITUTE PRESIDENT, JAYE KUMAR

Dear Member,

How many of us in the insurance industry said, 'I am going to be a loss adjuster when I grow up'? In fact, how many of us knew what a loss adjuster did? How many Career Counsellors in schools and colleagues even know anything about the insurance jobs and what is available as a future in this industry?

Apart from a few who had family members in loss adjusting, most of us literally fell into this profession. In my case, as a Mechanical Engineer I was working for a Consulting company when an Engineering Underwriter suggested I consider a career as a loss adjuster. It sounded interesting and the job I applied for offered a company car. It was too good for a 25-year-old to pass up. Fast track 35 years later, I am still in the industry and still enjoying it. I am sure most of us have similar stories and are still around after many decades. We gripe about how good it was in the good old days but few of us will give it up.

What is probably unique about our profession is the diversity of the work. No two claims are alike. There is always something new, something different and that keeps the work interesting. Something to learn every day. That is truly worth the effort we put in.

Over the years we have seen many changes. Some good, others bad. The good has meant we have used technology to assist with how we gather information and report, saving time and costs. The bad has been the dumbing down of the profession and work being allocated to other service providers doing the 'assessing' work. Some insurers can see the conflict and avoid this but others have not. It is like appointing a loss adjuster to clean your water soaked carpet or fix a storm damaged roof while he is out there assessing the claim. The Hayne Royal Commission has raised the conflict issue, but more importantly raised the lack of proper training or accountability for actions taken. We can expect some constructive improvements with the introduction of legislative changes in the later part of 2020. It can only be good for the industry.

In other matters, the various divisions continue with their

hard work in organising various presentations and events. The WA Division organised a breakfast seminar on Hazardous Substances and Dangerous Goods.

The International Division conducted a two-day Construction Risk and Insurance Workshop in Kuala Lumpur on 7 and 8 November.

The Queensland Division had its well anticipated Queensland AICLA Luncheon on 15 November with a record number in attendance.

The NSW Division held its cocktail function on 28 November and that was another successful event.

Final arrangements are in place for the Asian Claims Convention in Kyoto, Japan on 14-15-16 April 2020 and we are hoping to be in time for the cherry blossom season. A link to the event is in Upcoming Events.

**Kind regards**

**Jaye Kumar, Chartered Loss Adjuster  
President – AICLA**

## UPCOMING EVENTS

Members and guests are invited to attend the following events. For further information and to register, please click on the event.

DATE	EVENT	LOCATION
5 Dec	Awards Gala	Melbourne
6 Dec	Christmas Function	Perth
14-16 April	ACC20	Kyoto

## NEW AND ELEVATED MEMBERS

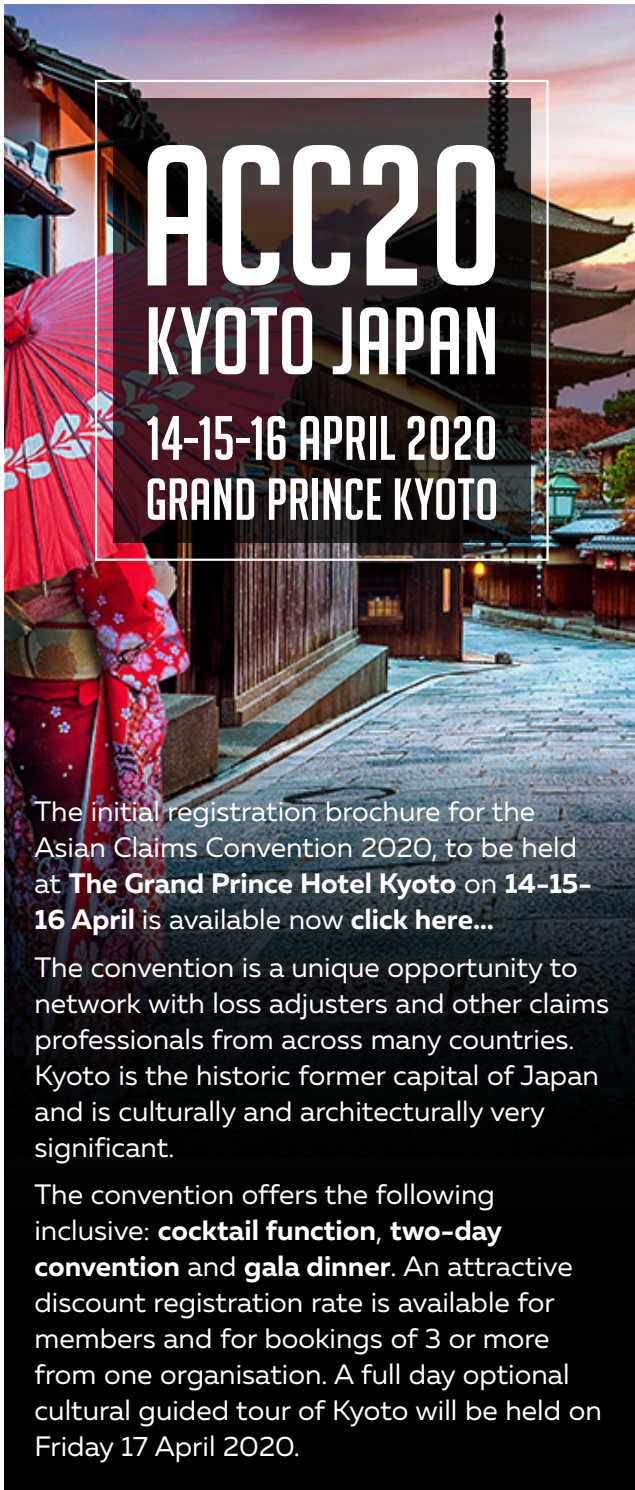
**Congratulations to the following new and recently elevated members:**

### NEW MEMBERS

Name	Class	Division
Alex Lim	Affiliate	Int. Thailand
Kirra Harrison	Affiliate	Queensland
John Burmeister	Provisional	Victoria
Kate Gibbs	Affiliate	Victoria
Hermanus Reinecke	Provisional	Int. South Africa

### ELEVATIONS

Name	Class	Division
Craig Hanatschek	Associate	South Australia
Naaz Mohd	Associate	Int. Singapore



**ACCC20**  
**KYOTO JAPAN**  
**14-15-16 APRIL 2020**  
**GRAND PRINCE KYOTO**

The initial registration brochure for the Asian Claims Convention 2020, to be held at **The Grand Prince Hotel Kyoto** on **14-15-16 April** is available now [click here...](#)

The convention is a unique opportunity to network with loss adjusters and other claims professionals from across many countries. Kyoto is the historic former capital of Japan and is culturally and architecturally very significant.

The convention offers the following inclusive: **cocktail function, two-day convention** and **gala dinner**. An attractive discount registration rate is available for members and for bookings of 3 or more from one organisation. A full day optional cultural guided tour of Kyoto will be held on Friday 17 April 2020.

## TASMANIA

Office Bearers for 2019-2020:

Chairman: Nick Ackers

Secretary/Treasurer Peter Norton

Councillor George Rosevear

Councillor David Farmer

Councillor Peter Pearce

Councillor Kerrie Boyd

Councillor Gary Williamson

Councillor Andrew Knight

## WESTERN AUSTRALIA



The WA Division conducted a successful breakfast seminar with over 50 attendees on 14 November.

The presentation by Les Vogiatzakis from DGas Services covered:

- What defines Hazardous Substances and Dangerous Goods
- Where we stand now in WA with current regulation
- Implications of regulatory reform going forward
- Common misconceptions with WHS laws.

## QUEENSLAND

The Annual Queensland Division End of Year Luncheon was held at Tattersall's Club Brisbane on Friday 15 November. The luncheon speaker this year was former international cricketer Michael Kasprowicz.

The event attracted a record 170 members, retired members, suppliers and other industry guests. Also attending was the AICLA President, Jaye Kumar. Paul O'Sullivan, Life Member of AICLA, read the traditional Charles Buchanan poem.

Congratulations to Neil Ackerman on winning the Brian Geraghty Prize for 2018 for the module Loss Adjusting Practice.

Thank you to all who attended and to our sponsors Morse Building Consultancy, Advanced Buildings, Steamatic, BMR Building & Bay Building Services. [Click here](#) for photos of the event.

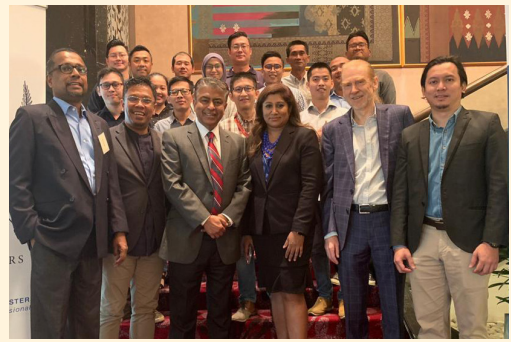


## INTERNATIONAL

AICLA and MII held a two-day workshop “A case study approach to dealing with construction risk and insurance – including Advanced Loss of Profit (ALOP) coverage - A two-day workshop in Kuala Lumpur”.

Presenters were Jaye Kumar, (ANA Chartered Loss Adjusters), Pooba Mahalingam and Ian McWalter, with attendees from Vietnam, Indonesia, Japan and Malaysia.

For the full report [click here...](#)



## ON-LINE CPD

### BUSINESS INTERRUPTION

Business Interruption or Consequential Loss cover and claim handling is an area of insurance that has attracted the interest of many new loss adjusters as well as experienced practitioners who are seeking further challenges. Beginners are apt to feel that the BI field is likely to be very straightforward, once the basic principles are understood, given that hard and fast figures are involved, these being readily available from today's computer records that nearly all businesses keep. They feel that this might make a refreshing change from the often murky field of adjusting physical loss — especially total loss, where much of the evidentiary material may be lost, and where there is the distinct possibility of time-consuming dispute.

But nothing is ever as easy as it seems, and experienced BI practitioners will quickly assure such beginners that the field is certainly not simple and in many ways there is even more scope for dispute than with physical loss.

First of all, does the policy respond at all? New adjusters — especially those with accounting minds — have been known to leap into calculations with gusto, only to find out later that much time has been wasted, and worse: that expectations have been created in the claimant's mind. There must be a trigger that invokes the cover.

The initial and major assessment is usually Loss of Gross Profit. The formula seems straightforward enough, once the policy definition of 'Gross' Profit and the concept of Uninsured Working Expenses have been mastered. And here we immediately hit the second hurdle. The figures

shown for Gross and Net Profit in the company accounts are very likely to be calculated in a quite different way to that which the policy provides, and of course settlement must be in accordance with the all-important policy wording.

Having hopefully resolved that, we stumble on the adjustments clause. Here considerable judgement is required. The comparison of the company's performance over the period of loss (another dispute point!) with the corresponding period in the previous appropriate period is not enough. We need to compare performance with what it may have been should the loss not have occurred. This involves the essential ingredient of trend. Here is perhaps the hardest part of this section of cover. Many factors that have no connection with the physical loss have large effects on the performance of a business.

Now what about Increased Costs of Working. Another minefield... How are these calculated and verified? Are they necessary for the purpose of avoiding loss of Gross Profit and do they fall within the economic limit? If not can they be covered under Additional Increased Costs of Working?

We have not even touched on other headings of cover. You will find discussion of this branch of adjusting at CPD042-4 and CPD046. The password to the Member section of our website is **aicla2018** and you proceed via CPD Papers and Quizzes.

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**AICLA offers members the opportunity to advertise positions vacant in LA News.**

The cost is \$300.00 (+ GST) and the advertisement will be run for one month.

The advertisements also appear on the AICLA website [www.aicla.org](http://www.aicla.org).

If you wish to advertise, please send information to [adminoffice@aicla.org](mailto:adminoffice@aicla.org).

Advertisers can remain anonymous with job applicants responding direct to AICLA.