

## GENERAL INSURANCE CODE OF PRACTICE 2014

### 1 INTRODUCTION

- 1.1 **We** have entered into this voluntary **Code** with the Insurance Council of Australia (**ICA**). This **Code** commits **us** to uphold minimum standards when providing services covered by this **Code**.
- 1.2 **We** acknowledge that **our** customers and **our** relationships with them are the foundations of **our** business.
- 1.3 The terms of this **Code** require **us** to be open, fair and honest in **our** dealings with **you**.
- 1.4 This **Code** aims to work with the many laws covering **our** conduct and in no way limits **your** rights under such laws against **us**. This **Code** also deals with issues not dealt with in legislation.
- 1.5 The **Code** terms provide that **you** may:
- (a) ask **us** to address an issue;
  - (b) access **our Complaints** process set out in section 10 of this **Code**; and/or
  - (c) report **your** concerns to the **CGC**.<sup>1</sup>
- By agreeing to this **Code**, **we** enter into a contract with the **ICA** to abide by this **Code**. This **Code** does not create legal or other rights between **us** and any person or entity other than the **ICA**.
- 1.6 If **we** fail to meet **our** obligations under this **Code**, the **CGC** may impose sanctions on **us**.
- 1.7 Important terms which have a special meaning are identified in **bold** and can be found in the Definitions section on page 17 at the end of this **Code**.

### 2 OBJECTIVES

- 2.1 The objectives of this **Code** are:
- (a) to commit **us** to high standards of service;
  - (b) to promote better, more informed relations between **us** and **you**;
  - (c) to maintain and promote trust and confidence in the general insurance industry;

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<sup>1</sup> The Code Governance Committee.

- (d) to provide fair and effective mechanisms for the resolution of **Complaints** and disputes between **us** and **you**; and
  - (e) to promote continuous improvement of the general insurance industry through education and training.
- 2.2 The objectives of this **Code** will be pursued having regard to the law, and acknowledging that a contract of insurance is a contract based on the utmost good faith.

### 3 APPLICATION

- 3.1 This **Code** takes effect on 1 July 2014, and **we** must adopt this **Code** within 12 months.
- 3.2 This **Code** applies to all:
- (a) new policies and renewed policies of insurance entered into with **us**; and
  - (b) new claims<sup>2</sup> and **Complaints** received by **us**,  
after **we** have adopted this **Code**.<sup>3</sup>
- 3.3 If this **Code** applies, previous codes do not.
- 3.4 This **Code** applies to all industry participants who have adopted it. Members of the **ICA**, any other general insurers, and such other entities as are approved by the **ICA**, may adopt this **Code**.
- 3.5 This **Code** covers all general insurance products except **Workers Compensation, Marine Insurance, Medical Indemnity Insurance, and Motor Vehicle Injury Insurance**. It does not cover reinsurance.
- 3.6 This **Code** does not apply to life and health insurance products issued by life insurers or registered health insurers.
- 3.7 This **Code** applies differently to **Retail Insurance** and **Wholesale Insurance**. The following sections apply to **Retail Insurance** only:
- (a) Buying insurance – section 4
  - (b) Standards for our **Service Suppliers** – section 6
  - (c) Claims – section 7
  - (d) **Catastrophes** – section 9

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<sup>2</sup> New claims received by **us** after **we** have adopted this **Code** will be covered by sections 6, 7, 8, 9 and 10 of this **Code**.

<sup>3</sup> The 2012 code will continue to apply to all policies of organisations who have not yet adopted this **Code**, prior to 1 July 2015. Conduct that occurred before **we** adopted this **Code** will be measured against the 2012 code standards, but will be covered by our **Complaints** process set out in section 10 of this **Code**, and the monitoring, enforcement and sanctions provisions set out in section 13 of this **Code**.

(e) **Complaints** and disputes – section 10

All other sections apply to both **Retail Insurance** and **Wholesale Insurance**.

- 3.8 Under a **Co-Insurance** arrangement, if one or more of the insurers has not adopted this **Code**, then that policy is not covered by this **Code**.
- 3.9 Where there is any conflict or inconsistency between this **Code** and any Commonwealth, State or Territory law, that law prevails.
- 3.10 Where this **Code** imposes an obligation on **us** in addition to obligations applying under a law, **we** will also comply with this **Code** except where doing so would lead to a breach of a law.

#### **4 BUYING INSURANCE**

- 4.1 This section applies to **Retail Insurance** only.
- 4.2 In this section, “**you**” means an **Insured** only.
- 4.3 This section applies to the initial enquiry and buying of insurance and renewal of cover.
- 4.4 **Our** sales process and the services of **our Employees** and **our Authorised Representatives** will be conducted in an efficient, honest, fair and transparent manner, in accordance with this section.
- 4.5 **We** will take reasonable steps to ensure that **our** communications with **you** are in plain language.
- 4.6 **We** will only ask for and rely on information and documents relevant to **our** decision in assessing an application for insurance.
- 4.7 Where **we** identify, or **you** tell **us** about, an error or mistake in **your** application or in the information or documents **we** have relied on in assessing **your** application, **we** will immediately initiate action to correct it.
- 4.8 If **we** cannot provide **you** with insurance, **we** will:
- (a) give **you our** reasons;
  - (b) supply **you** with the information **we** relied on in assessing **your** application if **you** request it, in accordance with section 14 of this **Code**;
  - (c) refer **you** to the **ICA** or the National Insurance Brokers Association of Australia (**NIBA**) for information about alternative insurance options, or another insurer; and
  - (d) provide details of **our Complaints** process, if **you** tell **us you** are unhappy with **our** decision.

## Cancellation Rights

- 4.9 **You** may be entitled to cancel **your** insurance policy and obtain a refund, in accordance with the terms of **your** policy. If **you** cancel **your** policy, any money **we** owe **you** will be sent to **you** within 15 **business days**.<sup>4</sup>
- 4.10 Where **you** have an **Instalment Policy** and **we** have not received an instalment payment, **we** will send **you** a notice **in writing** regarding **your** non-payment at least 14 calendar days before any cancellation by **us** for non-payment.

If after sending the above notice **we** do not receive the instalment payment, **we** will send **you** a second notice **in writing**, either:

- (a) prior to cancellation, informing **you** that **your Instalment Policy** is being cancelled for non-payment; or
- (b) within 14 days after cancellation by **us**, confirming **our** cancellation of **your Instalment Policy**.

## 5 STANDARDS FOR OUR EMPLOYEES AND AUTHORISED REPRESENTATIVES

- 5.1 When **our Employees** or **Authorised Representatives** are acting on **our** behalf, **we** will:
- (a) provide them with, or require them to receive, appropriate education and training to provide their services competently and to deal with **you** professionally, including training on this **Code**;
  - (b) only allow **our Employees** and **our Authorised Representatives** to provide services that match their expertise;
  - (c) measure the effectiveness of training by monitoring the performance of **our Employees'** and **our Authorised Representatives'** services;
  - (d) provide or require appropriate education and training to correct any identified performance shortcomings in **our Employees'** or **Authorised Representatives'** services; and
  - (e) keep **our Employees'** education and training records for a minimum of five years and make them available to the **CGC** on request, and require **our Authorised Representatives** to do the same.
- 5.2 **Our Authorised Representatives** will notify **us** of any **Complaint** they receive against them while they are acting on **our** behalf, and **we** will handle such **Complaints** under **our Complaints** process.
- 5.3 When providing a service to **you**, **our Authorised Representatives** will inform **you** of the service they have been authorised to provide on **our** behalf, and **our** identity.

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<sup>4</sup> In cases where **you** buy insurance through an insurance broker, different arrangements will apply. Ask **your** broker what arrangements apply to **you**.

- 5.4 The **CGC** may include any recommendations on education and training in its quarterly reports to the **ICA** Board.

### **Authorised Financial Services Licensees Acting on our Behalf**

- 5.5 **We** may contract with other persons who are not **our Authorised Representatives** but who are licensed by **ASIC** to sell insurance products. These may include insurance brokers, banks, or credit unions. If they do not comply with this **Code** when selling **our** products on **our** behalf, **you** can:
- (a) ask **us** to address the matter; and
  - (b) report **your** concerns to the **CGC**.

## **6 STANDARDS FOR OUR SERVICE SUPPLIERS**

- 6.1 This section applies to **Retail Insurance** only.
- 6.2 **Our Service Suppliers** will provide services on **our** behalf in an honest, efficient, fair and transparent manner, in accordance with this section.
- 6.3 **We** will only appoint **Service Suppliers** who:
- (a) reasonably satisfy **us** at the time of appointment that they are, and their employees are, qualified by education, training or experience to provide the required service competently and to deal with **you** professionally (including but not limited to whether they hold membership with any relevant professional body); and
  - (b) hold a current licence, if required by law.
- 6.4 **Our** contracts with **our Service Suppliers** entered into after **we** have adopted this **Code** must reflect the standards of this **Code** as they relate to the services of the **Service Supplier**.
- 6.5 A **Service Supplier** must obtain **our** approval before subcontracting their services.
- 6.6 When providing a service to **you**, **our Service Suppliers** will inform **you** of the service they have been authorised to provide on **our** behalf, and **our** identity.
- 6.7 **Our Service Suppliers** must notify **us** about any **Complaint** about a matter under this **Code** when acting on **our** behalf. **We** will handle **Complaints** relating to **our Service Suppliers** when they are acting on **our** behalf under **our Complaints** process.

## **7 CLAIMS**

- 7.1 This section applies to **Retail Insurance** only.

- 7.2 **We** will conduct claims handling in an honest, fair, transparent and timely manner, in accordance with this section.
- 7.3 **We** will only ask for and rely on information relevant to **our** decision when deciding on **your** claim.
- 7.4 Where **we** identify, or **you** tell **us** about, an error or mistake in dealing with **your** claim, **we** will immediately initiate action to correct it.
- 7.5 If any of the time frames in this section are not practical due, for example, to the complex nature of **your** claim, **we** will agree a reasonable alternative timetable with **you**. If **we** cannot reach an agreement on an alternative timetable, **we** will provide details of **our Complaints** process.
- 7.6 **Our Complaints** process set out in section 10 of this **Code** is available to **you**, if **you** wish to make a **Complaint** about any aspect of **our** claims handling.

### **Urgent Financial Need of Benefits**

- 7.7 Where **you** reasonably demonstrate to **us** that **you** are in urgent financial need of the benefits **you** are entitled to under **your** insurance policy as a result of the event causing the claim, **we** will:
- (a) fast-track the assessment and decision process of **your** claim; and/or
  - (b) make an advance payment to assist in alleviating **your** immediate hardship within five **business days** of **you** demonstrating **your** urgent financial need; and
  - (c) provide details of **our Complaints** process, if **you** are not happy with **our** decision.

### **Making a Claim**

- 7.8 **You** are entitled to ask **us** if **your** insurance policy covers a particular loss before a claim is lodged. In answering, **we** will not discourage **you** from lodging a claim, and will inform **you** that the question of coverage will be fully assessed if a claim is lodged.
- 7.9 If **you** make a claim and **we** do not require further information, assessment or investigation, **we** will decide to accept or deny **your** claim and notify **you** of **our** decision within ten **business days** of receiving **your** claim.
- 7.10 If **you** make a claim and **we** require further information or assessment, within ten **business days** of receiving **your** claim **we** will:
- (a) notify **you** of any information **we** require to make a decision on **your** claim;
  - (b) if necessary, appoint a loss assessor or loss adjuster; and
  - (c) provide an initial estimate of the timetable and process for making a decision on **your** claim.

## Assessment and Investigation

- 7.11 **We** will assess **your** claim on the basis of all relevant facts, the terms of **your** insurance policy, and the law.
- 7.12 If **we** appoint a loss assessor, loss adjuster or investigator,<sup>5</sup> **we** will notify **you** within five **business days** of their appointment.
- 7.13 **We** will keep **you** informed about the progress of **your** claim at least every 20 **business days**.
- 7.14 **We** will respond to routine requests made by **you** about **your** claim within ten **business days**.
- 7.15 If **we** engage an **External Expert** to provide a report which is necessary to assess **your** claim, **we** will ask them to provide their report to **us** within 12 weeks of the date of their engagement. If the **External Expert** cannot meet or fails to meet this time frame, **we** will inform **you** of this, and keep **you** informed of **our** progress in obtaining the report.

## Decision

- 7.16 Once **we** have all relevant information and have completed all enquiries, **we** will decide whether to accept or deny **your** claim and notify **you** of **our** decision within ten **business days**.
- 7.17 **Our** decision will be made within four months of receiving **your** claim, unless **Exceptional Circumstances** apply. If **we** do not make a decision within four months, **we** will provide details of **our Complaints** process.
- 7.18 Where **Exceptional Circumstances** apply, **our** decision will be made within 12 months of receiving **your** claim. If **we** do not make a decision within 12 months, **we** will provide details of **our Complaints** process.
- 7.19 If **we** deny **your** claim, **we** will:
- (a) give **you** reasons for **our** decision **in writing**;
  - (b) inform **you** of **your** right to ask for the information about **you** that **we** relied on in assessing **your** claim, and supply the information within ten **business days** if **you** request it, in accordance with section 14 of this **Code**;
  - (c) inform **you** of **your** right to ask for copies of any **Service Suppliers'** or **External Experts'** reports that **we** relied on in assessing **your** claim, and supply the reports within ten **business days** if **you** request them, in accordance with section 14 of this **Code**; and
  - (d) provide details of **our Complaints** process.

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<sup>5</sup> An appointed loss assessor, loss adjuster or investigator may be an **Employee** or a **Loss Assessor/Loss Adjuster/Investigator**.

## Repair Workmanship and Materials

- 7.20 Where **we** have selected and directly authorised a repairer, **we** will:
- (a) accept responsibility for the quality of the workmanship and materials; and
  - (b) handle any **Complaint** about the quality or timeliness of the work or conduct of the repairer under **our Complaints** process.

## Compliance with Timetables

- 7.21 **We** must comply with the timetables in this section, unless:
- (a) **our** conduct complied with an alternative timetable agreed with **you**; or
  - (b) **our** conduct and the timetable were reasonable in all the circumstances; or
  - (c) the cause of the non-compliance was a delay in the supply of a report from an **External Expert**, and **we** had engaged the **External Expert** in accordance with this section, and used **our** best endeavours to obtain the report in time.
- 7.22 The standards of this section do not apply if **you** have commenced any proceedings in any court, tribunal or under any other dispute handling process (other than **FOS**) in respect of **your** claim.

## 8 FINANCIAL HARDSHIP

- 8.1 For the purposes of this section only, the definition of “**you**” means:
- (a) an individual **Insured** or **Third Party Beneficiary** who owes **us** money under an insurance policy **we** have issued; and
  - (b) an individual **we** are seeking recovery from, for damage or loss caused by them to an **Insured** or **Third Party Beneficiary** **we** cover under an insurance policy.
- 8.2 This section does not apply to the payment of premiums under an insurance policy **we** have issued.

## Where You Owe Us Money

- 8.3 If **you** owe **us** money, and **you** experience **Financial Hardship**, **you** may ask **us** to assess whether **you** are entitled to assistance.
- 8.4 If **you** inform **us** that **you** are experiencing **Financial Hardship**, **we** will supply **you** with an application form for **Financial Hardship** assistance, and contact details for the national financial counselling hotline 1800 007 007.
- 8.5 In assessing **your** request for **Financial Hardship** assistance, reasonable evidence of **your Financial Hardship** may assist **us**, such as:
- (a) for Centrelink clients, **your** Centrelink statements; or



- (b) evidence of serious illness that prevents **you** from earning income, unemployment or disability, including disability caused by mental illness.

**We** will only request information from **you** that is reasonably necessary to assess **your** application for **Financial Hardship** assistance.

- 8.6 **We** will notify **you** about **our** assessment of whether **you** are entitled to assistance for **your Financial Hardship** as soon as reasonably practicable. If **we** determine that **you** are not entitled to **Financial Hardship** assistance, **we** will provide **you** with the reasons for **our** decision, and information about **our Complaints** process.
- 8.7 If **you** make a request for **Financial Hardship** assistance in relation to an amount **we** seek from **you**, **we** will contact any relevant **Collection Agent** and put on hold any recovery action in relation to that amount until **we** have assessed **your** request and notified **you** of **our** decision.
- 8.8 If **we** determine that **you** are entitled to **Financial Hardship** assistance:
  - (a) **we** will work with **you** to consider an arrangement that could include:
    - (i) extending the due date for payment;
    - (ii) paying in instalments;
    - (iii) paying a reduced lump sum amount;
    - (iv) postponing one or more instalment payments for an agreed period; or
    - (v) a combination of the above options,and **we** will confirm any agreed arrangement **in writing**;
  - (b) if **you** are an **Insured** or **Third Party Beneficiary**, at **your** request **we** will notify any financial institution with an interest in **your** insurance policy;
  - (c) **you** may ask **us** for a release, discharge or waiver of a debt or obligation; however, **you** are not automatically entitled to a release, discharge or waiver;
  - (d) if **we** agree to release, discharge or waive a debt or obligation, **we** will confirm this **in writing**, and if you are an **Insured** or **Third Party Beneficiary**, at **your** request **we** will notify any financial institution with an interest in **your** insurance policy;
  - (e) if **we** are unable to reach an agreement, **we** will provide details of **our Complaints** process.
- 8.9 If **we** determine **you** are not entitled to **Financial Hardship** assistance in relation to an amount **we** seek from **you**, and **your** circumstances change, **you** can make a further request for **Financial Hardship** assistance in relation to that amount. While assessing **your** further request, it will be at **our** discretion whether **we** again put any recovery action on hold.

## Collection of Monies Owed

- 8.10 If **we** authorise an agent to send **you** any communication about money **you** owe **us**, that communication will identify **us** as the insurer on whose behalf the agent is acting, and it will specify the nature of **our** claim against **you**.
- 8.11 **We** will require **our** agents to notify **us**, or to tell **you** to notify **us**, if **you** inform them that **you** are experiencing **Financial Hardship**, and require them to provide **you** with details of **our Financial Hardship** process.
- 8.12 **We** and **our** agents will comply with the **ACCC & ASIC** Debt Collection Guideline when taking any recovery action.
- 8.13 If **you** inform **us** that **you** intend to declare bankruptcy, **we** will work with **you** or **your** representative to provide a written confirmation of the debt **you** owe **us** for the purposes of bankruptcy. If **we** cannot reach an agreement, **we** will provide details of **our Complaints** process.

## 9 CATASTROPHES

- 9.1 This section applies to **Retail Insurance** only.
- 9.2 **We** will respond to **Catastrophes** in an efficient, professional and practical way, and in a compassionate manner.
- 9.3 If **you** have a property claim resulting from a **Catastrophe** and **we** have finalised **your** claim within one month after the **Catastrophe** event causing **your** loss, **you** can request a review of **your** claim if **you** think the assessment of **your** loss was not complete or accurate, even though **you** may have signed a release. **We** will give **you** 12 months from the date of finalisation of **your** claim to ask for a review of **your** claim.

**We** will inform **you** about:

- (a) this entitlement when **we** finalise **your** claim; and
  - (b) **our Complaints** process.
- 9.4 **We** will co-operate and work with the **ICA** on industry coordination and communications under the **ICA** Industry Catastrophe Coordination Arrangements.
- 9.5 The **CGC** may include any recommendations on the **ICA** Industry Catastrophe Coordination Arrangements in its quarterly report to the **ICA** Board.

## 10 COMPLAINTS AND DISPUTES

- 10.1 This section applies to **Retail Insurance** only.

- 10.2 The **CGC** may include any recommendations on **our Complaints** process in its quarterly reports to the **ICA** Board.

### **Internal Complaints Process**

- 10.3 **You** are entitled to make a **Complaint** to **us** about any aspect of **your** relationship with **us**.
- 10.4 **We** will conduct **Complaints** handling in a fair, transparent and timely manner, in accordance with this section.
- 10.5 **We** will make available information about **your** right to make a **Complaint** and about **our** processes for dealing with **Complaints** on **our** website and in **our** relevant written communications.
- 10.6 **We** will only ask for and rely on information relevant to **our** decision in dealing with **Complaints**. **We** will supply **you** with the information **we** relied on in assessing **your Complaint** within ten **business days**, if **you** request it, in accordance with section 14 of this **Code**.
- 10.7 Where **we** identify, or **you** tell **us** about, an error or mistake in handling **your Complaint**, **we** will immediately initiate action to correct it.
- 10.8 **We** will notify **you** of the name and relevant contact details of the **Employee** assigned to liaise with **you** in relation to **your Complaint** at each stage of the **Complaints** process.
- 10.9 **Our Complaints** process described below does not apply to **your Complaint** if **we** resolve it to **your** satisfaction by the end of the fifth **business day** after **your Complaint** was received by **us**, and **you** have not requested a response **in writing**. This exemption to the **Complaints** process does not apply to **Complaints** about a **Declined Claim**, the value of a claim, or about **Financial Hardship**.
- 10.10 Stage One and Stage Two of **our Complaints** process described below will not exceed 45 calendar days in total, unless **we** are unable to provide **you** with a final decision within 45 calendar days. If **we** are unable to provide **you** with a final decision within 45 calendar days, **we** will inform **you** before the end of that period of the reasons for the delay and **your** right to take **your Complaint** to **FOS**, together with contact details for **FOS**.

### **Stage One**

- 10.11 **We** will respond to **your Complaint** within 15 **business days** of the date of receipt of **your Complaint**, provided **we** have all necessary information and have completed any investigation required.
- 10.12 If **we** cannot respond within 15 **business days** because **we** do not have all necessary information or **we** have not completed **our** investigation:
- (a) **we** will let **you** know as soon as reasonably practicable within the 15-**business-day** time frame, and agree a reasonable alternative timetable with **you**. If **we** cannot reach an agreement on an alternative timetable, **we** will

advise **you** of **your** right to take **your Complaint** to Stage Two of the **Complaints** process; and

- (b) **we** will keep **you** informed about the progress of **our** response at least every ten **business days**, unless **you** agree otherwise.

10.13 **We** will respond to **your Complaint in writing** and tell **you**:

- (a) **our** decision in relation to **your Complaint**;
- (b) the reasons for **our** decision;
- (c) **your** right to take **your Complaint** to Stage Two if **our** decision at Stage One does not resolve **your Complaint** to **your** satisfaction; and
- (d) if **you** are still not satisfied with **our** decision after Stage Two, **your** right to take **your Complaint** to **FOS**, together with contact details for **FOS** and the time frame within which **you** must take **your Complaint** to **FOS**.

## **Stage Two**

10.14 If **our** Stage One decision does not resolve **your Complaint** to **your** satisfaction, **you** may advise **us** that **you** wish to take **your Complaint** to Stage Two.

10.15 If **you** advise **us** that **you** wish to take **your Complaint** to Stage Two, **your Complaint** will be reviewed by an **Employee** or **Employees** with the appropriate experience, knowledge and authority, who is/are, to the extent it is practical, different from the person or persons whose decision or conduct is the subject of the **Complaint**, or who was/were involved in the Stage One decision.

10.16 **We** will keep **you** informed about the progress of **our** review at least every ten **business days**.

10.17 **We** will respond within 15 **business days** of the date **you** advise **us** that **you** wish to take **your Complaint** to Stage Two, provided **we** have all necessary information and have completed any investigation required.

10.18 If **we** cannot respond within 15 **business days** because **we** do not have all necessary information or **we** have not completed **our** investigation, **we** will let **you** know as soon as reasonably practicable within the 15-**business-day** time frame, and agree a reasonable alternative timetable with **you**. If **we** cannot reach an agreement on an alternative timetable, **we** will advise **you** of **your** right to take **your Complaint** to **FOS**.

10.19 **Our** response to the review of **your Complaint** will be **in writing** and will include:

- (a) **our** final decision in relation to **your Complaint** and the reasons for that decision; and
- (b) **your** right to take **your Complaint** to **FOS** if **you** are not satisfied with **our** decision, together with contact details for **FOS**, and the time frame within which **you** must take **your Complaint** to **FOS**.

## External Dispute Resolution

- 10.20 **We** subscribe to the independent external dispute resolution scheme administered by **FOS**.
- 10.21 **FOS** is available to customers and third parties who fall within the **FOS** Terms of Reference.
- 10.22 If **our** decision at Stage Two does not resolve **your Complaint** to **your** satisfaction, or if **we** do not resolve **your Complaint** within 45 calendar days of the date **we** first received **your Complaint**, **you** may refer **your Complaint** to **FOS**.
- 10.23 External dispute resolution determinations made by **FOS** are binding upon **us** in accordance with the **FOS** Terms of Reference.
- 10.24 If **FOS** advises **you** that the **FOS** Terms of Reference do not extend to **you** or **your** dispute, **you** can seek independent legal advice or access any other external dispute resolution options that may be available to **you**.

## 11 INFORMATION AND EDUCATION

- 11.1 The **ICA** is responsible for the promotion of this **Code** to consumers and to industry participants that have not yet adopted this **Code**.
- 11.2 The **ICA** will work with the **CGC**, the relevant regulator and stakeholders to encourage all general insurers and other industry participants that carry on business in Australia to adopt this **Code**.
- 11.3 The **ICA** may develop guidance documents from time to time, to assist **us** in meeting **our** obligations under this **Code**.
- 11.4 The **CGC** may include any recommendations on **Code** promotion in its quarterly reports to the **ICA** Board.
- 11.5 **We** will work with the **ICA** to promote and champion this **Code**.
- 11.6 **We** will provide information about this **Code** on **our** websites and in **our** product information where **we** consider it appropriate to do so.
- 11.7 **We** will work with the **ICA** to provide general information to assist **you** in accessing insurance products.
- 11.8 **We** will work with the **ICA** to initiate programmes to promote insurance, financial literacy and the insurance industry, and **we** will support **ICA** initiatives aimed at education on general insurance.
- 11.9 The **CGC** may include any recommendations on education relevant to the operation of this **Code** in its quarterly reports to the **ICA** Board.

## **12 CODE GOVERNANCE**

- 12.1 The **CGC** is the independent body responsible for monitoring and enforcing compliance with this **Code**.
- 12.2 The **CGC** is made up of:
- (a) a consumer representative;
  - (b) an industry representative; and
  - (c) an independent chair.
- 12.3 The **CGC** is responsible for monitoring and enforcing **our** compliance with this **Code**, in accordance with section 13 of this **Code**.
- 12.4 The **CGC**'s constitution, functions and powers are set out in the **CGC** Charter.
- 12.5 The **CGC** is responsible for providing quarterly reports to the **ICA** Board, with recommendations on any **Code** improvements, **Code**-related issues and matters of importance.
- 12.6 The **CGC** may outsource to an appropriate service provider any of the responsibilities of the **CGC** set out in sections 13.7 to 13.9 of this **Code**.
- 12.7 The **ICA** is responsible for commissioning formal independent reviews of this **Code** from time to time. The **CGC** may recommend to the **ICA** Board that this **Code** be reviewed, if the **CGC** believes the application of this **Code** is not meeting the objectives outlined in section 2 of this **Code**.
- 12.8 In addition to formal independent reviews of this **Code**, the **ICA** will consult with the **CGC**, **FOS**, consumer and industry representatives, relevant regulators and other stakeholders to develop this **Code** on an ongoing basis.

## **13 MONITORING, ENFORCEMENT AND SANCTIONS**

- 13.1 **You** can report alleged breaches of this **Code** to the **CGC**.

### **Our Responsibility**

- 13.2 **We** will:
- (a) have appropriate systems and processes in place to enable the **CGC** to monitor compliance with this **Code**;
  - (b) prepare an annual return to the **CGC** on **our** compliance with this **Code**; and
  - (c) have a governance process in place to report on **our** compliance with this **Code** to **our** Board of Directors or executive management.
- 13.3 If **we** identify a **Significant Breach** of this **Code**, **we** will report it to the **CGC** within ten **business days**.

- 13.4 **We** will be in breach of this **Code** if **our Employees, our Authorised Representatives, or our Service Suppliers** fail to comply with this **Code** when acting on **our** behalf.
- 13.5 **We** will cooperate with the **CGC** in its:
- (a) review of **our** compliance with this **Code**; and
  - (b) investigations of any alleged **Code** breach.
- 13.6 **We** will apply corrective measures within set time frames, as agreed with the **CGC**, in response to a **Code** breach.

### **CGC Responsibility**

- 13.7 The **CGC** is responsible for monitoring and enforcing compliance with this **Code**.
- 13.8 The **CGC** will prepare annual public reports containing aggregate industry data and consolidated analysis on **Code** compliance.
- 13.9 The **CGC** will:
- (a) receive allegations about breaches of this **Code**;
  - (b) investigate alleged breaches at its discretion in accordance with this **Code**;
  - (c) provide an opportunity for **us** to respond to alleged breaches;
  - (d) determine whether a breach has occurred;
  - (e) agree with **us** any corrective measure(s) to be implemented by **us** and the relevant time frame(s); and
  - (f) monitor the implementation of any corrective measures by **us** and determine if they have been implemented within the agreed time frame.
- 13.10 The **CGC** may provide any recommendations on **Code** improvements as a response to its monitoring and enforcement, in its quarterly reports to the **ICA** Board.

### **Sanctions**

- 13.11 If the **CGC** considers **we** have failed to correct a **Code** breach, it will:
- (a) notify **our** Chief Executive Officer **in writing**; and
  - (b) provide an opportunity for **us** to respond within 15 **business days**.
- 13.12 The **CGC** will consider any response by **us** before making a final determination and imposing any sanctions.
- 13.13 The **CGC** will notify **our** Chief Executive Officer **in writing** of its decision regarding any failure to correct a **Code** breach and any sanctions to be imposed.
- 13.14 When determining any sanctions to be imposed, the **CGC** will consider:

- (a) the principles and objectives of this **Code**;
- (b) the appropriateness of the sanction; and
- (c) whether the breach is a **Significant Breach**.

13.15 The **CGC** may impose one or more of the following sanctions:

- (a) a requirement that particular rectification steps be taken by **us** within a specified time frame;
- (b) a requirement that a compliance audit be undertaken;
- (c) corrective advertising; and/or
- (d) publication of **our** non-compliance.

13.16 The **CGC**'s decisions are binding on **us**.

### **FOS Responsibility**

13.17 **FOS** may report possible **Code** breaches to the **CGC**.

## **14 ACCESS TO INFORMATION**

14.1 **We** will abide by the principles of the Privacy Act 1988 when **we** collect, store, use and disclose personal information about **you**.

14.2 Subject to 14.4, **you** will have access to information about **you** that **we** have relied on in assessing **your** application for insurance cover, **your** claim or **your Complaint**, if **you** request.

14.3 Subject to 14.4, **you** will also have access to reports from **Service Suppliers** or **External Experts** that **we** have relied on in assessing **your** claim, if **you** request.

14.4 In special circumstances, **we** may decline to provide access to or disclose information to **you**, such as:

- (a) where information is protected from disclosure by law, including the Privacy Act 1988;
- (b) where, in the case of a claim, the claim is being or has been investigated; or
- (c) where the release of the information may be prejudicial to **us** in relation to a dispute about **your** insurance cover or **your** claim (except in the case of **External Experts**' reports), or in relation to **your Complaint**.

14.5 If **we** decline to provide access to or disclose information to **you**:

- (a) **we** will not do so unreasonably;
- (b) **we** will give **you** reasons for doing so; and



- (c) **we** will provide details of **our Complaints** process.

## 15 DEFINITIONS

**ACCC** means the Australian Competition and Consumer Commission.

**APRA** means the Australian Prudential Regulation Authority.

**ASIC** means the Australian Securities and Investments Commission.

**Authorised Representative** means a person, company or other entity authorised by **us** to provide financial services on **our** behalf under **our** Australian Financial Services licence, in accordance with the Corporations Act 2001.

**business days** are Monday to Friday, excluding public holidays.

**Catastrophe** means an event declared by the **ICA** to be a catastrophe, including, but not limited to, fire, flood, earthquake, cyclone, severe storm and hail, resulting in a large number of claims and involving multiple insurers.

**CGC** means the Code Governance Committee as explained in Section 12.

**Claims Management Service** means a person or company who is not **our Employee** but is contracted by **us** to manage **your** claim on **our** behalf.

**Co-Insurance** means where two or more insurers agree to insure a proportion of the same risk under the same policy.

**Code** means the General Insurance Code of Practice 2014.

**Collection Agent** means a person or company who is not **our Employee** but is contracted by **us** to recover money owing to **us**.

**Complaint** means an expression of dissatisfaction made to **us**, related to **our** products or services, or **our Complaints** handling process itself, where a response or resolution is explicitly or implicitly expected.

**Declined Claim** means **you** have made a claim on an insurance policy, and:

- (a) **we** have declined or not accepted the claim; or
- (b) **we** have not determined the claim within 10 **business days** of receiving all the information necessary to do so.

**Employee** means a person employed by **us** or by a related entity that provides services to which this **Code** applies.

**Exceptional Circumstances** means:

- (a) the claim arises from an extraordinary **Catastrophe** as declared by the **ICA** Board;

- (b) the claim is fraudulent or **we** reasonably suspect fraud;
- (c) there is a failure by **you** to respond to **our** reasonable inquiries or requests for documents or information concerning **your** claim;
- (d) there are difficulties in communicating with **you** in relation to the claim due to circumstances beyond **our** control; or
- (e) **you** request a delay in the claims process.

**External Expert** means a person or company who is not **our Employee** or a **Service Supplier**, but is contracted by **us** solely to provide an expert opinion as to the likely cause of **your** loss or damage.

**Financial Hardship** means where **you** have difficulty meeting **your** financial obligations to **us**.

**FOS** means the Financial Ombudsman Service.

**ICA** means the Insurance Council of Australia.

**in writing** means a communication conveyed by mail or electronically via email, facsimile or text message.

**Instalment Policy** means a **Retail Insurance** policy for which the premium is payable by seven or more instalments in a year, as defined in the Insurance Contracts Act 1984.

**Insured** means a person, company or entity seeking to hold or holding a general insurance product covered by this **Code**, but excludes a **Third Party Beneficiary**.

**Investigator** means a person or company who is not **our Employee** but is contracted by **us** to verify the circumstances relating to **your** claim.

**Loss Assessor** or **Loss Adjuster** means a person or company who is not **our Employee** but is contracted by **us** to examine the circumstances of **your** claim, assess the damage or loss, determine whether **your** claim is covered under **your** policy, assist in obtaining repair/replacement quotes and help settle the claim.

**Marine Insurance** means insurance to which the Marine Insurance Act 1909 applies. This **Code** applies to pleasure craft covered by the Insurance Contracts Act 1984.

**Medical Indemnity Insurance** means medical indemnity cover for health care professionals under a contract of insurance covered by the Medical Indemnity (Prudential Supervision and Product Standards) Act 2003.

**Motor Vehicle Injury Insurance** means insurance that covers personal injury or death arising out of the use of a motor vehicle, including cover for the injury or death of a driver of a motor vehicle which is caused by the fault of that person when driving.

**NIBA** means the National Insurance Brokers Association of Australia.

**Retail Insurance** means a general insurance product that is provided to, or to be provided to, an individual or for use in connection with a **Small Business**, and is one of the following types:

- (a) a motor vehicle insurance product (Regulation 7.1.11);
  - (b) a home building insurance product (Regulation 7.1.12);
  - (c) a home contents insurance product (Regulation 7.1.13);
  - (d) a sickness and accident insurance product (Regulation 7.1.14);
  - (e) a consumer credit insurance product (Regulation 7.1.15);
  - (f) a travel insurance product (Regulation 7.1.16); or
  - (g) a personal and domestic property insurance product (Regulation 7.1.17),
- as defined in the Corporations Act 2001 and the relevant Regulations.

**Service Supplier** means an **Investigator, Loss Assessor or Loss Adjuster, Collection Agent, Claims Management Service** (including a broker who manages claims on behalf of an insurer) or its approved sub-contractors acting on **our** behalf.

**Significant Breach** means a breach that is determined to be significant by reference to:

- (a) the number and frequency of similar previous breaches;
- (b) the impact of the breach or likely breach on **our** ability to provide **our** services;
- (c) the extent to which the breach or likely breach indicates that **our** arrangements to ensure compliance with **Code** obligations is inadequate;
- (d) the actual or potential financial loss caused by the breach; and
- (e) the duration of the breach.

**Small Business** means a business that employs:

- (a) less than 100 people, if the business is or includes the manufacture of goods;  
or
- (b) otherwise, less than 20 people.

**Third Party Beneficiary** means a person, company or entity who is not an **Insured** but is seeking to be or is specified or referred to in a general insurance product covered by this **Code**, whether by name or otherwise, as a person to whom the benefit of the insurance cover provided by the product extends.

**we, us** or **our** means the organisation that has adopted this **Code**.

**Wholesale Insurance** means a general insurance product covered by this **Code** which is not **Retail Insurance**.

**Workers Compensation** means insurance that covers an employer's liability to pay compensation for an employment-related personal injury.

**you or your** means an **Insured** or **Third Party Beneficiary**, or as otherwise stated in relation to a particular section of this **Code**.