

## International Complaints Handling at Lloyd's: Australia

Definition of a complaint	Expression of dissatisfaction made to an organisation, related to its service, products, or the complaints handling process itself, where a response is explicitly or implicitly expected.
Definition of a complainant	<p>No official definition. However, the Australian Financial Complaints Authority has jurisdiction to review complaints from applicants that meet the following criteria:</p> <ul style="list-style-type: none"> <li>a) an individual or individuals (including those acting as a trustee, legal personal representative or otherwise);</li> <li>b) a partnership comprising of individuals – if the partnership carries on a business, the business must be a Small Business;</li> <li>c) the corporate trustee of a self managed superannuation fund or a family trust – if the trust carries on a business, the business must be a Small Business;</li> <li>d) a Small Business (whether a sole trader or constituted as a company, partnership, trust or otherwise);</li> <li>e) a not-for-profit organisation, club or incorporated association – if the club or incorporated association carries on a business, the business must be a Small Business;</li> <li>f) a body corporate of a strata title or company title building which is wholly occupied for residential or Small Business purposes; or</li> <li>g) the policy holder of a group general insurance policy, where the dispute relates to the payment of benefits under that policy.</li> </ul> <p>In relation to:</p> <ul style="list-style-type: none"> <li>(i) Retail General Insurance Policy (i.e. home, motor, sickness &amp; accident, travel, personal &amp; domestic property incl. valuables, pleasurecraft, caravans, fine art, farm etc,</li> <li>(ii) Residential Strata Title Insurance Product,</li> <li>(iii) Small Business Insurance Product (currently excluding legal liability or professional indemnity products); or</li> <li>(iv) Medical indemnity insurance product.</li> </ul> <p>Small Business means a business employing under 100 employees at the time of the act or omission by the financial firm that gave rise to the complaint.</p>
Application of Lloyd's procedure and local complaint regulations	All Australian Coverholders are required to meet the complaint handling standards set under the General Insurance Code of Practice and ASIC's Regulatory Guide 165. All open market business or business written by Overseas Coverholders will still be required to adhere to the Australian complaint process where the Australian Financial Complaints Authority (AFCA) jurisdiction to

	review the dispute (as detailed above). All other matters will be referred to Lloyd's Complaints team in the UK for review if they fall within the jurisdiction of the UK FOS.
Timescale	<p>Lloyd's operates a two stage process in Australia.</p> <p><u>Stage One</u></p> <p>The managing agent or their representative, ie Third Party Claims Administrator/Coverholder have 15 business days to attempt to resolve the complaints.</p> <p><u>Stage Two</u></p> <p>If the complainant remains dissatisfied they can request a stage two review. This review will be conducted by Lloyd's Australia and has 15 business days to resolve the complaint. If the matter cannot be resolved at Stage 2 and/or it has been more than 45 calendar days since the complaint was made, the complainant must be advised of their right to elevate the matter to AFCA.</p>
External Dispute Resolution (EDR) scheme and eligibility	<p>Australian Financial Complaints Authority (AFCA). In addition to the above definition of complainant, AFCA will additionally consider complains made against an insurer by another person in relation to property loss caused by the impact of a motor vehicle property (uninsured third-party complaints). The determination of third party disputes is limited to disputed amounts of AUD\$15,00 or less. For all other matters, the value of the claim is dispute cannot exceed AUD\$1,000,000. Maximum remedy available AUD\$500,000.</p>
Local Regulatory Reporting Requirements	<p>Lloyd's Australia and Australian coverholder/TPAs are required to report complaint numbers by class, type and outcome once a year (July/August) as part of its Code obligations.</p>
Lloyd's Complaint Notice	<p>The required complaints notice for Australian coverholders is incorporated within standard certificate template LMA3082. The complaints notice for open market business and overseas coverholder business is LMA5136. These are published on the Lloyd's Wordings repository and referenced in the Pre-contractual notification and Insurance documents sections of Crystal.</p>