

ENDORSEMENT TO THE MODEL BINDING AUTHORITY AGREEMENT FOR NEW ZEALAND COMPLAINTS - FULL AUTHORITY

(For use with LMA Binding Authority Agreements)

The provisions of this endorsement are to be read in conjunction with Section 22 (Complaints or Proceedings).

The Coverholder has full authority to handle Complaints against Underwriters and to offer Redress up to and including {NZD } in order to resolve such Complaints.

1. Process

- 1.1. Upon receipt of a Complaint against underwriters from a Complainant below, the Coverholder must comply with the procedures as set out below. The Coverholder has full authority to resolve the Complaint within 10 business days from the date the Complaint is received. Underwriters may at any time withdraw or vary this authority in respect of one or more Complaints and in such circumstances Underwriters shall be entitled to make any decisions or take any action regarding the Complaint which Underwriters consider appropriate.
- 1.2. The Coverholder must investigate Complaints competently, diligently and impartially obtaining additional information as necessary and must assess fairly, consistently and promptly the subject matter of the Complaint, whether the Complaint should be upheld and what remedial action or Redress (or both) may be appropriate.
- 1.3. The Coverholder must acknowledge the Complaint in writing. The acknowledgement letter must be issued within 2 business days following receipt of the Complaint.
- 1.4. The coverholder must then investigate the Complaint and issue a stage one response within 10 business days of receipt of the Complaint.
- 1.5. Within 7 calendar days of the stage one being issued, the Coverholder must then notify both Underwriters and Lloyd's Complaints Team of the Complaint and its resolution by using the Notification Template located at: www.lloyds.com/complaintshandling and sending it to {Insert Underwriters' email address} and Lloyd's Complaints Team at internationalcomplaints@lloyds.com.
- 1.6. If the Coverholder is unsure of how to resolve a Complaint or the appropriate Redress amount exceeds {NZD } then the Coverholder must immediately pass the Complaint, along with all relevant documentation, to Underwriters using the following email address: {Insert Underwriters' email address} If the Complainant remains dissatisfied, they may escalate the Complaint to Lloyd's Australia at idrnz@lloyds.com, Lloyd's will request a copy of the file. The Coverholder must send the file to idrnz@lloyds.com within 5 business days as a single PDF document.
- 1.7. The Coverholder will assist Underwriters where Lloyd's are involved.
- 1.8. Upon receipt of a complaint which does not fall within the definitions at Section 5.1 and 5.2 below, the Coverholder must {Insert instructions here}

2. Additional Responsibilities:

In addition to the above the Coverholder will:

- 2.1. Ensure that all members of staff that may receive Complaints in relation to any operations under this Binding Authority Agreement are trained in complaint identification to a level appropriate to their position and role within the organisation and are aware of the above procedure;

3. Record Keeping

3.1. The Coverholder shall maintain a register of all Complaints.

3.2. The register should include the following information:

- a) Name of Complainant;
- b) Name of Complainant's representative (if applicable);
- c) Address of Complainant;
- d) Address of Complainant's representative (if applicable);
- e) Date Complaint received;
- f) Date acknowledgement issued;
- g) Date stage one response issued;
- h) Date notified to Underwriters/Lloyd's;
- i) Date referred to Underwriters/Lloyd's;
- j) Policy number;
- k) Claim reference (if applicable);
- l) Unique market reference
- m) Product;
- n) Customer type;
- o) Root cause;
- p) Outcome;
- q) Action taken;
- r) Redress paid.

3.3. The Coverholder must provide a copy of the register to Underwriters, or their representatives, promptly upon request.

4. Additional Guidance

4.1. In the event additional guidance is required please contact Underwriters on: **{Insert Underwriters contact details here}**

4.2. Lloyd's also provides further guidance at: www.lloyds.com/complaintshandling. Alternatively, the Coverholder can contact Lloyd's Australia directly on: ldrnz@lloyds.com or +61 (0)2 8298 0783.

5. Definitions

5.1. The definition of a 'Complaint' is:

An expression of dissatisfaction about a Participant [in the Insurance & Financial Services Ombudsman Scheme], where a response or resolution is explicitly or implicitly expected from the Participant.

5.2. A Complainant is defined as :

"A person or body that at the time of making the Complaint is:

- a) a person or group of persons, whether acting jointly or severally;
- b) the trustees of a family trust including a corporate trustee (if the family trust carries on a business it must be a Small Business);
- c) a club or an incorporated society;
- d) a unit title body corporate or a body corporate of a company title building which is occupied for residential or Small Business purposes; or
- e) a Small Business (no more than 19 full time employees).

5.3. The definition of 'Redress' is as follows:

Redress is any monetary award made as a result of the complaint and should include the following:

- a) Amounts paid for distress and inconvenience;

- b) A free transfer of cover to another provider which would otherwise normally be paid for;
- c) Goodwill payments and goodwill gestures;
- d) Interest on delayed settlements;
- e) Waiver of an excess on an insurance policy; and
- f) Payments to put the consumer back into the position they would otherwise have been in had the act or omission not occurred (including claim payments).

LMA5302

31/01/2018

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