



## Fair Insurance Code

### A Code of Practice that:

- sets minimum service standards for insurance companies
- describes the responsibilities that you and your insurance company have to each other.

[www.icnz.org.nz](http://www.icnz.org.nz)

## Introduction

This brochure has been prepared by the Insurance Council of New Zealand to explain the Fair Insurance Code (the Code).

All insurance companies that belong to the Insurance Council must comply with the Code. The Code applies whether transactions are made with an insurance company or through a bank or broker. The Code covers all products sold by Insurance Council members.

### The Code:

- explains your insurance company's responsibilities to you
- explains your responsibilities when you apply for insurance or make a claim
- tells you what you can expect if you make a complaint about your insurance company to the Insurance Council.

### In the Code:

- "we, us, our" refers to the insurance company
- "you, your" refers to the customer.

This is the Code that your insurance company has agreed to.

## Fair Insurance Code

### Our responsibilities to you

We will act fairly and openly in all our dealings with you. This means we will:

- answer your questions accurately
- explain the information you need to give us when you apply for insurance, renew your policy, or make a claim
- explain the importance of giving us information that is complete, up to date, and relevant
- give you or your broker a copy of your policy that sets out in plain English what is insured, what is not insured, and what your obligations are
- tell you about any changes to your policy.

We will give you information about the best policies we can offer you.

You are entitled to ask for and receive help to understand the terms, conditions, and exclusions of your insurance policy.

You are entitled to ask for and receive a copy of the information you gave us when you applied for insurance.

When you make a claim, we will:

- explain how to report your claim
- explain what information you must give us to process your claim
- explain the steps we will take while handling your claim
- tell you that the information you give us must be absolutely accurate and honest
- keep you informed of the progress of your claim
- settle all valid claims quickly and fairly
- clearly explain how we reached our decision
- clearly explain the reason if your claim is declined.

We will treat your information confidentially.

We will train our staff so that they can fulfil our responsibilities to you.

## Your responsibilities to us

You need to give us complete, accurate, and relevant information when:

- you apply for insurance
- you renew your policy
- you make a claim
- your circumstances change.

Please ask us for help if you are not sure what information is relevant.

To help us decide whether to insure you and on what terms, you need to tell us any facts that may affect our decision — whether we ask a specific question or not.

If you do not give us these facts, we may refuse to pay your claim or we may even cancel your insurance from the start date of your policy.

Examples of relevant facts about you, your partner, or others insured under your policy, include:

- criminal convictions, subject to the Criminal Records (Clean Slate) Act 2004
- traffic violations
- previous claims, accidents, or history of losses, whether insured or not
- refusal by an insurance company to insure you, or any claims declined by other insurance companies
- any change of drivers, including a change of the 'main driver' of an insured motor vehicle
- non-factory modifications to vehicles or boats
- any change of use of the vehicle or property (eg car now used as a courier vehicle, or home now used as a bed and breakfast)
- bankruptcy
- previous history of flooding.

This list does not include everything that we may need to know. Please ask us for help if you are not sure what information is relevant. Giving us this information does not necessarily mean your application or claim will be declined.

You need to read your insurance policy and let us know if there is anything you want explained or corrected.

You need to tell us about any changes to your contact details.

## Complaint procedures

If you make a complaint to us, we will:

- let you know that we have received your complaint within 3 working days
- make sure your complaint is fully investigated as soon as possible by someone not involved in the original decision
- give you the name and contact details of the person handling your complaint
- send you written advice about the progress or outcome of the complaint within 10 working days of receiving your complaint
- tell you within 2 months if we are unable to resolve your complaint
- when necessary, tell you about any other people who can help, such as the Insurance & Savings Ombudsman.

## Insurance & Savings Ombudsman's office

The Insurance & Savings Ombudsman (ISO) is a free, independent service that can help you settle a range of insurance disputes against insurance companies that are ISO members.

The ISO can help with complaints about policies, and claims for personal and small business\* insurance to a maximum of \$150,000 (unless the insurance company agrees to a higher amount). The ISO will help you settle your complaint by agreement, or the ISO will make the decision. The decision may be in your favour, or in the insurance company's favour. The ISO's decision is binding on the insurance company, but not on you. If you are unhappy with the ISO's decision, you can take your complaint to the Disputes Tribunal or to court.

The ISO uses the Fair Insurance Code to help them make their decision.

\* For the ISO's definition of small business, visit their website: [www.iombudsman.org.nz](http://www.iombudsman.org.nz)

## General information

### Administration of the Fair Insurance Code

The Insurance Council takes responsibility for the Code. The Insurance Council makes sure that its members and the general public are aware of and understand the Code.

The Insurance Council, working with community and consumer groups, reviews the Code every 3 years.

### Breaches of the Fair Insurance Code

Where you feel there has been a breach of the Code, you should write to the Insurance Council. The Insurance Council will investigate your complaint thoroughly with your insurance company and take appropriate action.

### Claims paying rating

Insurance companies that belong to the Insurance Council are required to have a rating from an approved rating agency on their ability to pay claims. Your insurance company must tell you what their rating is when you apply for or renew a policy.

### Any questions?

If you have any questions about the Fair Insurance Code, please contact your insurance company or the Insurance Council of New Zealand — they'll be pleased to help you.

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July 2006