



# Claims handling expectations and obligations



## About Us

At MLC Life Insurance we define our purpose as 'A promise for life'. We provide 1.1 million Australians with reassurance that they and their loved ones will be supported at the times when they need it most.

MLC Life Insurance is committed to helping our customers and communities thrive in life and health. To support this commitment, we have always held high expectations for the standard of service that is provided to our customers, whether those services are provided directly by MLC Life Insurance or through one of our suppliers.

## Claims handling and settling services

From 1 January 2022, claims handling and settling services will be considered financial services under the *Corporations Act 2001* (Cth). We are pleased that many elements of the reforms reflect a number of our values and will now provide industry wide assurance that the standard of service that we expect of ourselves and our suppliers will now be universally reflected across all life insurance businesses.

The following expectations and obligations apply to those suppliers that

provide claims handling and settling services on behalf of MLC Life Insurance, either as a representative or an Australian Financial Services (AFS) licensee acting on behalf of MLC Life Insurance. These expectations and obligations operate alongside the Supplier Code of Conduct and are incorporated by reference in our contract document for each supplier. MLC Life Insurance reserves the right to update this claims handling expectations and obligations documents as required. It also applies to MLC Life Insurance's supplier selection process. This document operates alongside and is subject to existing laws and regulations and in no way limits suppliers' rights and obligations under such laws and regulations, in Australia or abroad.

## Claims handling and settling services and MLC Life Insurance's AFS licence

Our suppliers may provide insurance claims handling and settling services in relation to an insurance product in a number of circumstances including, but not limited to:

- making a recommendation or stating an opinion in response to an inquiry about a claim or potential claim;
- making a recommendation or stating an opinion that could influence a decision about making or continuing with a claim;

- assessing whether MLC Life Insurance is liable under an insurance product;
- making a decision to accept or reject all or part of a claim on behalf of MLC Life Insurance; and
- quantifying MLC Life Insurance's liability under an insurance product.

As claims handling representatives, our suppliers, their employees and contractors are expected to comply with the relevant conditions of MLC Life Insurance's AFS licence. Apart from the claims handling and settling service suppliers are contracted to provide, suppliers are not authorised to provide financial product advice under MLC Life Insurance's AFS licence. This may include recommending a particular insurance product to a customer or providing an opinion on how to best structure a settlement amount.

Please get in touch with your relationship manager if you wish to view a copy of MLC Life Insurance's AFS licence. ASIC Information Sheet 253 'Claims handling and settling: How to comply with your AFS licence obligations' also sets out further information.

## Complying with financial services laws when providing claims handling and settling services to our customers

MLC Life Insurance is committed to complying with financial services laws and will be responsible for the actions of our suppliers in the course of providing these services to our customers.

Our suppliers, their employees and contractors must, where applicable, comply with all relevant financial services laws and their contractual obligations.

Such financial services laws will require our suppliers when dealing with our customers to act with utmost good faith and not engage in dishonest, misleading or deceptive conduct. Our suppliers will also be expected to provide their services efficiently, honestly and fairly. Where applicable this will include:

- delivering services in a timely fashion that avoids any undue delay to the customer, having regard to any relevant industry standards, codes or practices;
- providing services such that it places minimum intrusion and burden on the customer;
- being open and transparent in all customers interactions, making sure that the customer understands the suppliers' role in the provision of the services and the process involved;
- providing customers with procedural fairness prior to any adverse decisions being made, which may include allowing the customer adequate time to provide further information or respond to such decisions;
- informing customers of their right to make a complaint;
- communicating with customers in plain language; and
- providing the necessary support to vulnerable customers.

## Identifying vulnerable customers

A customer may be identified as vulnerable due to factors including but not limited to:

- Aboriginal or Torres Strait Islander status;
- age;
- cultural and linguistic diversity;
- disability;
- family violence;
- financial distress;
- gender;
- isolation (including social, geographical or incarceration);
- literacy;
- mental health conditions;
- natural disasters and catastrophic events; and
- physical health conditions.

If a supplier considers that a customer it is dealing with may be vulnerable, it must promptly disclose the matter to MLC Life Insurance through your relationship manager.

## Maintaining competencies

Our suppliers, their employees and contractors will maintain their requisite training, qualifications, licences and authorisations relevant to providing claims handling and settling services.

If a supplier considers that it or any employee or contractor no longer holds the requisite competencies, licences or authorisations, the supplier must notify the matter to MLC Life Insurance through your relationship manager.

## Reporting obligations

MLC Life Insurance expects suppliers to notify their relationship manager or the MLC Life Insurance Confidential Alert Line of any instances of:

- actual or possible breaches of financial services laws;

- non-compliance or suspected breaches of this claims handling expectations and obligations document;
- regulator investigations relating to the supplier's business; and
- complaints received.

Complaints are defined in ASIC Regulatory Guide 271 as 'an expression of dissatisfaction made to or about an organization, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required'.

Where a notification is made through the relationship manager, the relationship manager will liaise with the supplier to understand the nature of the breach, investigation or complaint and use best commercial efforts to work with MLC Life Insurance towards achieving an acceptable remediation and resolution.

Suppliers wishing to make a notification through the MLC Life Insurance Confidential Alert Line may do so using the details below:

**1800 875 115**

Whistleblower\_Line@  
mlcinsurance.com.au

## Annual attestation

As part of MLC Life Insurance's obligation to monitor the services provided by our claims handling representatives, our suppliers will be required to provide an annual attestation and any other information about their ongoing compliance with this claims handling expectations and obligations document and the Supplier Code of Conduct.

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## For more information

If you would like further information, or to provide feedback, please contact [procurement@mlcinsurance.com.au](mailto:procurement@mlcinsurance.com.au)

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