

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS INSURANCE SECTOR

Cover-More

CVM02QON: **Dr LEIGH:** Thanks very much, Ms Crompton and Mr Stein, for joining us today. We heard from the General Insurance Code Governance Committee this morning that there had been a massive increase in self-reported breaches from members—a 128 per cent increase in overall breach reports and a 310 per cent increase in reports of significant breaches. How many of those does Cover-More account for?

Mr Stein: I would have to take that question on notice to provide you with the data, particularly because we would need to confirm with Zurich, who's the insurer on record and the code subscriber.

Answer: Zurich Australian Insurance Limited is our underwriter and the Code subscriber. With respect to Cover-More, in May 2020 Zurich reported a significant breach to the Code Governance Committee relating to timeliness, during Covid19, in responding to customers and, in November 2019, Zurich reported a significant breach to the Code Governance Committee relating to incorrect depreciation adjustments.

Zurich also identified another eight breach reports since 2018 that were not categorised as significant and were self-reported or arose from complaints or matters referred to AFCA.