

General Insurance Code of Practice

- 3.1 This chapter provides an explanation of the application, content and history of the General Insurance Code of Practice (the Code). The chapter then examines in detail the monitoring and enforcement measures available.

About the Code

- 3.2 The Code is a voluntary code written by the industry itself. The Code is designed to operate in conjunction with the regulatory framework within Australia that applies to the general insurance industry. It provides guidelines for insurers regarding customer interaction and claim management. These apply when selling insurance, dealing with insurance claims, responding to catastrophes and disasters, and handling complaints. The Code applies to all general insurance products except those expressly excluded.
- 3.3 The Code was first developed and introduced by the Insurance Council of Australia (ICA) in 1994 and revised in 2005. The revised Code commenced operation in July 2006. The ICA is required to review the Code every three years, with an Independent Reviewer appointed to undertake this

process.¹ The first review of the Code occurred in 2009 and was conducted by Mr Robert Cornall AO.

3.4 The Code is monitored and enforced by the Financial Ombudsman Service (FOS).

3.5 The Code contains a specific section on responding to claims in times of catastrophes. According to clause 4.3 of the Code, the provisions can be suspended during disaster events. Wesfarmers defended the inclusion of this clause, asserting that:

... it is important to acknowledge that there are times when physically [claims] cannot be dealt with within the time frames and there needs to be some form of leeway built into the code.²

3.6 Due to this clause, consumers are not protected by the Code's provisions in the aftermath of disaster events. However, the Code provides that participating companies will:

- respond to catastrophes and disasters in a fast, professional and practical way and in a compassionate manner; and
- establish internal processes for responding to catastrophes and disasters.³

3.7 Additionally, there is a provision allowing for a review of claims resulting from a catastrophe or disaster.⁴

3.8 The Code has provisions for claims processing, internal and external dispute resolution. These apply in normal circumstances, i.e. when a natural disaster is not occurring.

3.9 There are time limits set for each discrete stage of claims processing, such as when an assessor should be appointed. However, the time limits add up to a substantial block of time, with no maximum limit imposed on the entire claims processing process.

3.10 Under the Australian Securities and Investments Commission (ASIC) Regulatory Guide 165, a 45 day timeframe is imposed on the internal dispute resolution process. The Code sets out more detailed obligations for this requirement.

1 Insurance Council of Australia (ICA), 'General Insurance Code of Practice', p. 2 <<http://www.codeofpractice.com.au/>> viewed 9 January 2012.

2 Mr John Ripepi, Chief Executive Officer, Wesfarmers Federation Insurance, *Committee Hansard*, Sydney, 14 October 2011, p. 13.

3 ICA, 'General Insurance Code of Practice', p. 9.

4 ICA, 'General Insurance Code of Practice', p. 9.

- 3.11 The Code also requires each participating company to have appropriate systems and processes in place to enable it to monitor its own compliance with the Code.⁵ This can consist of customer surveys as well as internal and external audits.
- 3.12 According to the Code, employees of insurers should conduct their services in an honest, efficient, fair and transparent manner. Insurers must train employees adequately so they can carry out their claims handling tasks and functions competently. Additionally, employees should be trained in insurance and consumer protection law, as well as requirements of the Code.⁶
- 3.13 Due to clause 4.3 of the Code, insurers have no obligation to meet these guidelines when natural disasters occur.

Proposed amendments

- 3.14 The Insurance Council of Australia advised the Committee that the Insurance Council Board has agreed in principle to a number of draft changes to the Code for implementation no later than 1 July 2012.⁷ The changes have been made in response to criticisms of the handling of insurance claims in the aftermath of recent catastrophes. At the time of writing, in February 2012, the draft changes outlined below were still under consideration by the Insurance Council Board:
- The provision which provides for a suspension of the Code during a catastrophe or disaster will be removed.
 - A time limit of four months will be imposed for a claim to be settled. If no decision is forthcoming within that time, the insurer will ask the insured whether they would like to access an internal dispute resolution process. This provision will not apply where exceptional circumstances exist such as fraud, the insured unreasonably failing to supply documents, or where an 'extraordinary catastrophe or disaster' is declared. The Insurance Council Board stated that it will consult with stakeholders such as the Australian Government, ASIC, FOS and consumer advocates to develop the criteria for such a declaration.
 - There will be a 'right to claim' in the sense that an insurer will ask policy holders if they would like to lodge claims and then explain that the question of coverage will be fully assessed. If a claim is denied,

5 ICA, 'General Insurance Code of Practice', pp. 11-12.

6 ICA, 'General Insurance Code of Practice', p. 7.

7 Proposed changes to the General Insurance Code of Practice, 28 November 2011.

consumers will be provided with written reasons and information about complaints handling procedures.

- A time limit of 12 weeks will be imposed on the provision of external expert reports. Consumers will be able to access external expert reports used to decide the claim. Insurers will need to provide copies of these reports if requested within 10 business days.
- Staff will be trained to deal with customers professionally. Training will also be conducted with regard to consumer protection laws, product knowledge, the requirements of the Code and understanding the consumer situation particularly in the aftermath of a catastrophe or disaster.

3.15 It is not clear if all provisions of the Code, or just the proposed four-month time limit for determining claims, are exempt in 'exceptional circumstances'.

Monitoring and enforcement of the Code

3.16 Under the Code, FOS is responsible for monitoring compliance.⁸ The Code Compliance Committee within the ICA is responsible for imposing and enforcing sanctions. The Code Compliance Committee consists of a consumer representative appointed by FOS, an industry representative appointed by the ICA and an independent Chair jointly appointed by FOS and the ICA. Insurers also have duties to provide information and report to FOS.

3.17 Although FOS is funded by insurers, it must remain accessible, independent, fair, accountable, efficient and effective in order to maintain its status as an ASIC-approved external dispute resolution scheme.⁹ Also, FOS asserted that membership levies are low and exist mostly to cover administrative costs and that the user-pays nature of FOS encourages the internal settlement of disputes.¹⁰

3.18 There are specific provisions in the Code detailing how monitoring and enforcement activities are to be conducted.¹¹

8 ICA, 'General Insurance Code of Practice', p. 2.

9 Financial Ombudsman Service (FOS), *Submission 47*, p. 12.

10 Mr John Price, Ombudsman General Insurance, Financial Ombudsman Service, *Committee Hansard*, Canberra, 15 September 2011, p. 2.

11 ICA, 'General Insurance Code of Practice', pp. 12-14.

- 3.19 FOS receives and investigates allegations about Code breaches and determines whether a breach has occurred. FOS will monitor the completion of corrective action and determine whether corrective actions have been implemented.
- 3.20 FOS reports failure to correct breaches to the Code Compliance Committee within 10 business days of the agreed time frame. However, FOS must consult with the insurers as to corrective action and time frames.
- 3.21 FOS produces an annual public report on participating insurers' compliance with the Code. The report contains aggregated industry data and consolidated analysis on compliance. FOS supplies aggregated breach data on a quarterly basis to the Code Compliance Committee.
- 3.22 Alleged breaches are reported to FOS mostly by FOS staff (59 per cent) and decision makers (19 per cent) with some complaints being registered from consumers/businesses (18 per cent) and a small number from community legal centres (three per cent) and private lawyers (one per cent).¹²
- 3.23 According to FOS statistics, in 2009–10, there were 314 instances of non-compliance with the Code, 42 per cent down on the previous year. FOS conducted 124 Code compliance reviews during the year, identifying 68 Code breaches across 23 companies. This means that one third of the 59 participating companies breached the Code. However, all breaches were addressed by participating companies to FOS' satisfaction.¹³
- 3.24 In 2009–2010, FOS investigated 616 alleged breaches of the Code arising from 119 matters across 30 companies. That is, half of all participating companies were alleged to have breached the Code.
- 3.25 Of particular relevance to the Committee's inquiry is the fact that there were 96 breaches of the Code which related to the conduct of claims handling. The clauses involved require claims handling to occur in a fair, transparent, timely, efficient and honest matter.¹⁴ Thus, such complaints constituted a third of all breaches of the Code.

12 FOS, 'General Insurance Code of Practice – Overview of the Year 2009/2010', p. 11 <www.fos.org.au/public/download.jsp?id=14819> viewed 9 January 2012.

13 FOS, 'General Insurance Code of Practice – Overview of the Year 2009/2010', p. 11.

14 The complaints were with respect to clauses 3.4.1, 3.6.1 and 6.1.1 of the Code.

- 3.26 The investigations show that the reasons for non-compliance are varied and included:
- misunderstanding how a service standard applied to general insurance operations;
 - underestimating the time required to implement the service standards;
 - applying the service standards in practice but failing to document the underlying compliance requirements appropriately or at all;
 - changes made to processes/systems/documents without the knowledge of compliance personnel;
 - incorrectly concluding that compliance measures were sufficient;
 - failing to provide adequate training; and
 - failing to adhere to established procedures.¹⁵
- 3.27 The Code requires participating companies to report an identified significant breach of the Code to FOS within 10 business days.¹⁶ A 'significant breach' is one that is deemed to be significant with reference to:
- similar previous breaches;
 - adequacy of arrangements to ensure compliance with the Code;
 - the extent of any consumer detriment; and
 - the duration of the breach.¹⁷
- 3.28 In 2009–10, FOS received four reports of significant breaches of the Code relating to the timeliness of claims settlements. These reports related to three companies, with three 'serious' breaches related to the timeliness of claim settlement.¹⁸
- 3.29 There are common themes. Delays occurred because of an unexpected increase in the number of claims, and a resulting lack of resources to address them. The first company reported that customers were advised about the delays and urgent/priority claims were dealt with in time. For the second company, absenteeism, high staff turnover and technology problems contributed to delays. The third company cited poor

15 FOS, 'General Insurance Code of Practice – Overview of the Year 2009/2010', p. 16.

16 ICA, 'General Insurance Code of Practice', p. 12.

17 FOS, 'General Insurance Code of Practice – Overview of the Year 2009/2010', p. 16.

18 The other complaint related to technology problems.

communication as a factor, but asserted that although delays were experienced by customers, the quality of decision making was unaffected.¹⁹

3.30 Corrective actions included:

- reviewing outstanding claims for action;
- agreeing with customers on alternative timeframes of claims assessment;
- recruitment and secondment of staff as well as requesting staff to work overtime in order to deal with the increased workload;
- increasing and improving compliance monitoring, including by:
 - ⇒ developing and enforcing more stringent internal standards; and
 - ⇒ allocating staff to compliance work;
- developing new claims systems to better manage workflow;
- developing forecasting tools to enable better strategic management and allocation of resources;
- requiring workers to specialise to enable fast tracking and more timely responses; and
- improving internal communication.

3.31 Responsibility for monitoring the Code lies with FOS, which has the discretion to provide reports, recommendations and information to any regulator, such as ASIC, or a disciplinary body.²⁰

3.32 FOS must identify 'systemic issues' and refer these to the relevant financial services provider for remedial action. These issues can arise with respect to the Code. FOS must obtain a report from the provider as to the remedial action taken and continue to monitor the matter until a resolution is achieved that is acceptable to FOS.²¹

3.33 FOS must also report systemic issues to ASIC in accordance with obligations under RG 139. FOS must report all serious misconduct to ASIC and ASIC can then take regulatory action if necessary.

19 FOS, 'General Insurance Code of Practice – Overview of the Year 2009/2010', pp. 17-25.

20 FOS, 'Terms of Reference', p. 22 <<http://www.fos.org.au/public/download.jsp?id=17224>> viewed 10 January 2012.

21 FOS, 'Terms of Reference', p. 22.

- 3.34 If insurers fail to meet their obligations under the Code, the Code Compliance Committee can impose sanctions.²²
- 3.35 Where FOS has reported a failure by an insurer to correct a Code breach, the Code Compliance Committee may dismiss the FOS findings or request FOS to reconsider further consultation with insurers. The Code Compliance Committee will 'consider any response by [insurers] before making a final determination and imposing sanctions.'²³
- 3.36 The sanctions for a breach of the Code are minimal. They are:
- a requirement that particular rectification steps be taken by an insurer within a specified timeframe;
 - a requirement that a compliance audit be taken;
 - corrective advertising; and/or
 - publication ('naming and shaming') of the insurer's non compliance.
- 3.37 Mr Price, an Ombudsman of FOS, noted that these sanctions had not been utilised during his time there since 2004.²⁴
- 3.38 Insurers must have appropriate systems and processes in place to enable FOS to monitor compliance with the Code. They also prepare an annual report to FOS on Code compliance and have a governance process in place to report on compliance to internal Boards of Directors or executive management.²⁵

Effectiveness

- 3.39 FOS collects and publishes information on the insurance industry.
- 3.40 However, insurers remain anonymous, both when FOS reports to the public in its compliance reviews and when FOS exchanges information with ASIC. This means neither consumers nor the government have information about which companies are breaching the Code or have been alleged to breach the Code. Ultimately, disputes remain private.
- 3.41 A voluntary code of practice is less effective than a mandatory code. Enforcement can be difficult. Self-regulation in general is only effective
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22 ICA, 'General Insurance Code of Practice', p. 2.

23 ICA, 'General Insurance Code of Practice', p. 14.

24 Mr Price, FOS, *Committee Hansard*, Canberra, 15 September 2011, p. 9; FOS, 'Our Ombudsmen', <http://www.fos.org.au/centric/home_page/about_us/our_ombudsmen.jsp> viewed 9 January 2012.

25 ICA, 'General Insurance Code of Practice', p. 12.

under good accountability, compliance, and enforcement.²⁶ The Insurance Law Service (ILS) opposes the voluntary nature of the Code, noting that:

There seems to be little incentive to comply with the Code as there are no consequences of the failure to do so.²⁷

- 3.42 The insurance industry views their compliance as being satisfactory. Wesfarmers assured the Committee that they take the Code 'seriously'.²⁸ BT Financial Group, which includes Westpac, said that they took the:

... strong view that you have to abide by the code regardless of whether you are dealing with a catastrophe or not.²⁹

- 3.43 Insurance Australia Group told the Committee the standards that they set internally are higher than those that are prescribed by the Code.³⁰ Additionally, Wesfarmers noted:

Our claims people are always aware that they have obligations under the code, whether during catastrophe events or not.³¹

- 3.44 Legal aid groups dealt with many clients making insurance claims in the aftermath of the 2010-11 extreme weather events and were thus in a position to assess the operation of the Code in that context. These groups regarded the Code as being ineffective.

- 3.45 Ms Karen Cox, Coordinator, Insurance Law Service, Consumer Credit Legal Centre (NSW) Inc., described the Code as setting 'an incredibly low standard.'³² The ILS commented at length that:

... industry compliance with the Code of Practice is poor. The Code Compliance Monitoring is inadequate and ineffective. It has not led to any improvements that ILS can see in practices. The Code does not represent best practice which is one of the main purposes of having a Code. Unfortunately, the General Insurance Code of

26 For more information on self regulation, see Australian Securities and Investment Commission, 'Institutional self-regulation: what should be the role of the regulator?' <[http://www.asic.gov.au/asic/pdflib.nsf/LookupByFileName/NIGConf_081101.pdf/\\$file/NIGConf_081101.pdf](http://www.asic.gov.au/asic/pdflib.nsf/LookupByFileName/NIGConf_081101.pdf/$file/NIGConf_081101.pdf)> viewed 20 December 2011.

27 Insurance Law Service (ILS), *Submission 54*, p. 13.

28 Mr John Ripepi, Chief Executive Officer, Wesfarmers Federation Insurance, *Committee Hansard*, Sydney, 14 October 2011, p. 8.

29 Mr Mark Smith, General Manager, Bank Distribution and Insurance, BT Financial Group, *Committee Hansard*, Sydney, 14 October 2011, p. 21.

30 Mr Michael Wilkins, Managing Director and Chief Executive Officer, Insurance Australia Group, *Committee Hansard*, Canberra, 13 October 2011, p. 9.

31 Mr Ripepi, Wesfarmers Federation Insurance, *Committee Hansard*, Sydney, Friday 14 October, p. 13.

32 *Committee Hansard*, Graceville, 27 September 2011, p. 17.

Practice represents one of the worst operating Codes in Australia.³³

- 3.46 Ms Bridget Burton, Coordinator, Caxton Legal Centre, criticised the Code for being ‘completely inadequate’.³⁴ She stated that it is not designed to protect consumers after a disaster event and that it was ineffective in protecting consumers after the extreme disaster events of 2010–11.
- 3.47 Ms Burton advocates for an enforceable instrument that has inbuilt penalties and where consumers can seek penalties in their own right so they do not have to go through ASIC, and which FOS itself can initiate.³⁵
- 3.48 Ms Jenny Lawton, of Victoria Legal Aid, said that ‘it is timely to consider ... strengthening the protections to consumers in this code’.³⁶
- 3.49 Mr Keith Oberin, Municipal Emergency Response Manager, Shire of Campaspe, noted that many Campaspe residents felt that the Code was not adhered to by insurers.³⁷
- 3.50 Since the Code can be suspended during disaster events, this means that consumers are not protected by its provisions in the aftermath of a disaster.
- 3.51 The Committee heard that some consumers did not feel well-treated by insurance companies in the aftermath of the 2010-11 disaster events, suggesting that insurers did not act compassionately or professionally, as required by clause 4.2 of the Code. Consumers spoke of ‘frustration’ and ‘second class’ treatment.³⁸ These sentiments were echoed again and again by respondents to the inquiry survey.
- 3.52 ASIC raised a pertinent point in that while the industry is under an obligation to deal with claims as effectively and efficiently as possible, to have a sufficient workforce that is trained, skilled and available at all times in case a disaster event occurs would involve significant cost and potentially increase the cost of insurance overall.³⁹

33 ILS, *Submission 54*, p. 13.

34 *Committee Hansard*, Graceville, 27 September 2011, p. 21.

35 *Committee Hansard*, Graceville, 27 September 2011, p. 21.

36 *Committee Hansard*, Bridgewater, 26 October 2011, p. 14.

37 *Committee Hansard*, Rochester, 27 October 2011, p. 2.

38 Cr Graeme Lehman, Mayor, Somerset Regional Council, *Committee Hansard*, Ipswich, 27 September 2011, p. 16; Mr John Braga, *Committee Hansard*, Graceville, 27 September 2011, p. 36.

39 Mr Greg Kirk, Senior Executive Leader, Deposit Takers Credit and Insurers, Australian Securities and Investments Commission (ASIC), *Committee Hansard*, Canberra, 22 September 2011, p. 7.

3.53 In addition, ASIC commented on the time frames for claims processing.

If you want to put in a standard time frame for claims but make it long enough to allow the management of big influxes of claims, then the standard time frame is going to be higher. If you were going to have a definitive time frame on natural disaster claims, you would certainly want to have it as a separate thing to your standard time frame because, otherwise, you would have to make your standard time frame longer. Whether you have that longer time frame for a natural disaster event or whether you just allow general flexibility and rely on the goodwill of the industry, their desire to do the right thing and public pressure is really a matter for government, at the end of the day.⁴⁰

3.54 Additionally, it does not appear that consumers are aware of the Code. Legal aid groups were able to gauge consumer awareness of the Code in their dealings with clients. The Victorian Legal Assistance Forum stated that:

... people generally have low levels of awareness around the General Insurance Code of Practice and their rights to refer a disputed claim to EDR [external dispute resolution] through the Financial Ombudsman Service.⁴¹

3.55 This view was echoed by WA Legal Aid, who stated that people's knowledge of their rights in relation to the code of practice was 'very limited' and that people were not aware of their rights to internal dispute resolution.⁴²

3.56 The ICA website contains a link to the Code, but the Code is not consistently advertised on the websites of member insurance companies.

40 Mr Kirk, ASIC, *Committee Hansard*, Canberra, 22 September 2011, p. 8.

41 Victorian Legal Assistance Forum, *Submission 50*, p. 5.

42 Mr Justin Stevenson, Director Civil Law, Legal Aid Western Australia, *Committee Hansard*, Kelmscott, 2 August 2011, p. 9.

- 3.57 It follows that the low level of public awareness of the Code means that few people will be aware of breaches and report them to FOS. This diminishes the effectiveness of the Code.

Box 3.0 What Code?

The General Insurance Code of Practice may set out a range of consumer protections and industry standards, but many people across Australia—professionals and claimants alike—were unaware of the Code's existence, let alone its specific provisions. One person told the Committee that 'of all the insurance companies I have ever dealt with in my life, I have never had that code of practice explained to me.'

When the Committee asked people about the Code, most responded, 'what's that?' Even months into their insurance claim, or after having taken their claim to dispute resolution, claimants still had not been made aware of the Code at any time during the claims process.

One person who was aware of the Code found that the employees of his insurer did not take it seriously: 'When we raised the Code and its requirements, [the insurance representative] was not interested, nor did he appear to be worried and it was very clear that he was not intending to act any different.'

From bitter experience, this person had no faith in the provisions of the Code to provide any consumer protections or assurance of industry standards. 'The [Code] is unenforceable and was not adhered to ... IT'S NOT WORTH THE PAPER IT'S WRITTEN ON! It is clear from the ... events in 2011 that self-regulation of the insurance industry by a voluntary code of practice is neither practicable nor workable'.

Committee comment

- 3.58 The Committee finds the voluntary Code very unsatisfactory and with scant regulatory effectiveness. The voluntary nature of the Code makes the instrument inherently less effective than a mandatory one.
- 3.59 In particular, the Committee is of the strong opinion that the clause suspending the Code during disaster events is unmerited. The suspension of the Code robs consumers of protection when they are most vulnerable – as victims of natural disasters that cause terrible damage not to only their homes and businesses, but also affect their emotional state and personal relationships.
- 3.60 The Committee notes that the ICA has proposed changes to the Code that take into account some of the concerns raised in the wake of recent natural

disasters. However, based on the findings of this inquiry, the Committee considers that they do not go far enough. The proposed revisions to the Code still include a caveat that the Code can be disregarded in the event of a catastrophe so designated by the ICA. The Committee recognises that in times of disasters there will be greater demands placed on the industry's resources; however, the industry needs to factor such considerations into its business model.

- 3.61 The Committee was alarmed at the lack of consumer awareness surrounding both the existence of the Code and its exact provisions. The lack of knowledge was prevalent across Australia, even amongst individuals for whom it would be useful or necessary to have such knowledge. This speaks again to the ineffectiveness of the Code as a regulatory instrument and a failure of the insurance industry and FOS to inform consumers.
- 3.62 In the wake of negative media attention and disgruntled messages in the front yards of affected clients, the reputation of the industry has taken a hit. The industry needs to regain credibility and consumer confidence. It is not the role of the Australian Government to promote consumer awareness and confidence; rather the industry must assume responsibility for improving consumer perception. The industry can begin to restore its integrity by raising awareness of the Code and of consumer rights.
- 3.63 Later in the report, the Committee makes recommendations to the Australian Government for regulatory reform of the insurance industry. To address consumer awareness of the Code and consumer rights, the Committee makes the following recommendations to the ICA in the strongest terms possible. The ICA should implement the following recommendations in 2012:
- review its procedures and plan for effective contingency measures in times of disaster events;
 - prominently advertise the revised Code on the ICA website as well as all member websites; and
 - conduct a consumer awareness campaign with the purpose of increasing awareness of consumer rights in relation to insurance.
- 3.64 Besides the Code being inherently unsatisfactory, the Committee views non-compliance with the Code as a problem.
- 3.65 Many of the excuses for non-compliance are not compelling. It does not appear that the Code is enforced rigorously within insurance companies. Insurers have not established and maintained the systems necessary for

Code implementation. The multiple breaches and feeble reasons for non-compliance reinforce the conclusion that the Code is an ineffective instrument of regulation.

- 3.66 The Committee understands that insurers suffered additional workload as a result of the disaster events. However, although it may be reasonable for different standards to apply when disasters occur, insurers must make clear the benchmarks that they intend to adhere to. They are an industry which will be called on during natural disasters. It is patently obvious that any reasonable business plan must include adequate response procedures for natural disasters, even those of a magnitude experienced in recent years. Australians plan for disasters by taking out insurance coverage. We expect those insurance companies to similarly have in place plans for disasters. After all, that is their business!
- 3.67 Further, many employees of insurance companies remain unaware of the Code's importance. This omission extends to all arms of the insurance business, including operations, customer service and human resources, and should be addressed by insurance companies through internal processes.
- 3.68 Finally, the sanctions for a breach of the Code are minimal and not applied. The Committee notes that sanctions have not been imposed since at least 2004, despite a myriad of natural disasters. In addition, of the nearly 700 respondents to the Committee's survey, the overwhelming majority were negative regarding the insurance industry. If the Code is to act as an effective benchmark for performance, then it must be both rigorous and enforced. Insurers also have too much input into corrective action and time frames for implementing corrections in the event of a breach.
- 3.69 Preserving the anonymity of companies in compliance and reporting activities greatly reduces the usefulness of data provided by FOS. Neither ASIC nor members of the public can act effectively on anonymous data, such as taking necessary regulatory action or making discerning consumer decisions.
- 3.70 The Committee makes a number of detailed recommendations in Chapter 7 for the general insurance industry's self-regulatory practices, how these are embodied in the Code, and a broader regulatory context to monitor performance.