

# Financial Hardship Policy

## Purpose

Lloyd's Australia is committed to assisting customers who may be experiencing financial hardship. We have processes in place which assist our employees in being able to support customers experiencing financial hardship.

Due to the unique nature of the Lloyd's market this will involve us liaising with the entity that issued the policy on behalf of Lloyd's Underwriters, the claims administration company managing the claim and/or the relevant Lloyd's Managing Agent ('the relevant entity') in applying this policy.

Lloyd's Australia will usually engage with Customers when we conduct a review of Customers' complaints in accordance with the Lloyd's Australia dispute resolution process. The purpose of this policy is to outline the approach we will adhere to in assisting Customers who may be experiencing financial hardship.

## Financial Hardship

The 2020 General Insurance Code of Practice defines Financial Hardship as meaning you have difficulty meeting your financial obligations. Part 10 of the 2020 Code details obligations in relation providing Financial Hardship support to:

- individual Insureds or Third-Party Beneficiaries who owe money under an insurance policy issued by the relevant entity (e.g. an excess); and
- an individual the relevant entity is seeking recovery from, for damage or loss caused by them to an Insured or Third-Party Beneficiary covered under an insurance policy.

For the purposes of this policy, individual insureds and third-party beneficiaries as described above are Customers.

Financial Hardship support does not include support with paying the premiums you owe to the relevant entity that issued your policy.

## Financial Hardship process

If you need Financial Hardship support, please contact us to discuss:

Lloyd's Australia  
Level 16, 1 Macquarie Place, Sydney NSW 2000  
Telephone: (02) 8298 0783  
Email: [ldraustralia@lloyds.com](mailto:ldraustralia@lloyds.com)

We will ask you for information to help us understand your circumstances. We will conduct a review of the information you supply and provide you with a written response after discussing the matter with the relevant entity.

## Our approach

- We will be empathetic and respectful when dealing with anyone experiencing Financial Hardship.
- If you tell us or we identify that you are experiencing Financial Hardship, we will:
  - Make you are aware of the free services provided by the [National Debt Helpline](#), Phone 1800 007 007.
  - Contact any Collection Agent or solicitor that that has been appointed and ensure all forms of recovery action is put on hold until the review is completed, and you are informed of our decision.
  - Ask for information which is reasonably necessary for us to assess your Financial Hardship circumstances such as:
    - your Centrelink statements if you are a Centrelink client; or
    - evidence of what prevents you from earning an income.
  - If we decide that you are entitled to Financial Hardship support, we will work with you and the relevant entity to implement an arrangement which could include one or more of the following:
    - extending the period of repayment and reduce the amount of each payment due;
    - postponing payments for an agreed period;
    - extending the period of repayment and postpone payments for an agreed period;
    - deducting the excess from the claim settlement amount; or
    - fast-tracking the assessment and decision process of a claim.
  - If we decide that you are entitled to Financial Hardship support:
    - but we cannot agree on how you can be supported we will advise you in writing about our complaints process;
    - you may ask for the release, discharge or waiver of a debt or obligation; however it is not an automatic entitlement. If an agreement is reached to release, discharge or waive your debt or obligation, we will confirm this in writing, and you can ask us to notify any financial institution with an interest in your insurance policy.
  - If we decide you are not entitled to Financial Hardship support:
    - we will tell you the reasons for our decision in writing and give details of our complaints process.
    - you may re-apply for financial hardship support if your circumstances change, however it will be at our discretion whether we again put any recovery action on hold.