

Life CCC Charter

1. Establishment of the Life Code Compliance Committee

- 1.1 The Life Code Compliance Committee (**Life CCC**) is established and constituted in accordance with the Code.
- 1.2 The powers, duties, functions and responsibilities of the Life CCC are set out in this Charter, subject always to any provision in the Code.

2. Functions and responsibilities of the Life CCC

- 2.1 In accordance with the Code, the Life CCC is responsible for the independent administration and enforcement of the Code and has the following functions and responsibilities:
 - a) to establish and maintain an up-to-date register of Code Subscribers;
 - b) to monitor and enforce Code compliance by Code Subscribers to the extent set out in the Code and the Charter;
 - c) to receive information and compliance reports from Code Subscribers as required to monitor and report on Code Subscribers' adherence to minimum reporting standards;
 - d) to receive reports of possible Code breaches (including from FOS in its function as an external dispute resolution scheme);
 - e) to investigate at its discretion reports of alleged Code breaches;
 - f) to make determinations in relation to reports of alleged Code breaches which the Life CCC has investigated;
 - g) to agree fair and reasonable corrective measures where relevant with Code Subscribers to remedy Code breaches, taking into account any corrective measures related to the breach agreed with or imposed on the Code Subscriber by any regulatory body;
 - h) to monitor the implementation of any agreed corrective measures for Code breaches;
 - i) to impose, at its discretion, sanctions for a breach of the Code where a breach is not corrected, detailed in section 8 of the Charter;
 - j) to provide recommendations to the FSC on a regular basis and at least once every six months on:
 - i. training and other activities necessary to assist Code Subscribers to meet the requirements of the Code; and
 - ii. improvements that, in the Life CCC's view, should be made to the Code to facilitate the objectives of the Code;
 - k) to provide guidance on compliance with the Code to Code Subscribers and other interested persons, to the extent to which such matters of compliance are within the Life CCC's jurisdiction;
 - l) to publish information and make presentations on the activities of the Life CCC, its membership and to promote its work; and
 - m) to prepare and publish an Annual Report on the activities of the Life CCC;
 - n) to exercise and perform such other acts as may be provided for from time to time in the Code, or which are incidental to any of the above functions and responsibilities.

2.2 Responsibilities of Life CCC Members

Each Life CCC Member, in acting as such, must:

- a) comply with the Charter and the Code; and
- b) act reasonably, fairly, impartially and objectively.

2.3 Delegation of Life CCC functions

- a) Subject to the following paragraph, the Life CCC may delegate its functions under the Code and this Charter to an Administrator, appointed under contract by the FSC.
- b) The Life CCC must not delegate its power to impose a sanction in relation to Code non-compliance.
- c) For the avoidance of doubt, the Life CCC may delegate its secretariat function to the Administrator.
- d) Any reports of the Life CCC must be approved by the Life CCC before being released including where the preparation of a report has been delegated.

2.4 Funding

- a) The Life CCC will be appropriately funded and resourced by the Code Subscribers via the FSC.
- b) Appropriate funding will be determined through the preparation of an annual work plan and proposed budget by the Life CCC.

3. Life CCC Members

3.1 Composition of the Life CCC

In accordance with the Code, the Life CCC is made up of three members:

- a) One independent industry representative with relevant experience at a senior level in life insurance in Australia, appointed by the FSC.

Note: “independent” means a person who is not currently and has not been within the last 12 months employed by or an officer of a Code Subscriber or a related body corporate or the FSC;

- b) one consumer representative with relevant experience and knowledge, appointed by the consumers’ directors of the FOS Board and
- c) an independent chairperson (**Chair**) with experience in industry, commerce, public administration or government service, appointed jointly by the Chief Executive of the FSC and the Chief Ombudsman of FOS.

3.2 Tenure

Subject to clause 3.5, a Life CCC Member (including the Chair) holds office for a three year term.

3.3 Re-appointment

A person who was, or is currently, a Life CCC Member is eligible for re-appointment to the Life CCC.

3.4 Resignation

A Life CCC Member may resign from the office during their term by notifying the relevant appointor(s) of that Life CCC Member (see clause 3.1) with at least one month's notice in writing, or such lesser period as may be agreed.

3.5 Termination

The appointment of a Life CCC Member may be terminated in writing by the relevant appointor(s) of that Life CCC Member (see clause 3.1) with at least seven days' notice in writing.

3.6 Casual vacancies

A person may be appointed by the relevant appointor(s) under clause 3.1 to fill a casual vacancy in the office of a Life CCC Member, other than the position of the Chair. A person appointed to fill a casual vacancy under this clause:

- a) must satisfy the experience requirements of the relevant paragraph of clause 3.1 as if the appointment were an ordinary appointment for that role under clause 3.1; and
- b) will hold office until the casual vacancy ceases or the period during which their predecessor Life CCC Member would have held office expires, whichever occurs first.

3.7 Automatic vacancies

The office of a Life CCC Member (including the Chair) will be automatically vacated if the person:

- a) becomes bankrupt or makes any arrangement or composition with creditors;
- b) becomes prohibited by law from being a director;
- c) becomes of unsound mind;
- d) resigns from the office during their term;
- e) becomes employed by or an officer of a Code Subscriber or a related body corporate or the FSC; or
- f) has their appointment terminated by their relevant appointors.

4. Meeting of Life CCC Members

4.1 Meetings and proceedings of Life CCC

- a) Subject to the Code, the Life CCC will meet, discharge its responsibilities and convene, adjourn and otherwise regulate its meetings and proceedings in such manner as it may from time to time determine.
- b) The Life CCC will meet at least 4 times in each period of 12 months.
- c) No person is entitled to attend a Life CCC meeting unless that person is:

- i. a member of the Life CCC, or the member's alternate;
- ii. the secretary of the Life CCC; or
- iii. a person invited to attend the meeting by the Life CCC Chair, including but not limited to the Administrator or a person providing advice to the Life CCC in accordance with clause 6.1(b).

4.2 Quorum

A quorum for a meeting shall be the three Life CCC Members who comprise the Life CCC at the time of the meeting or their alternates. A duly convened Life CCC meeting at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Life CCC.

4.3 Life CCC Chair to preside

The Life CCC Chair will preside over each meeting of the Life CCC.

4.4 Notice of meetings

- a) Subject to this clause 4.4, a Life CCC meeting may be called by a member of the Life CCC or the Administrator giving to every other member:
 - i. notice confirming the venue, time and date of the meeting no fewer than 10 business days prior to the meeting; and
 - ii. an agenda of items to be discussed no fewer than five business days prior to the meeting.
- b) A member of the Life CCC or the Administrator may call a Life CCC meeting in relation to an urgent matter by giving to every other member prior notice of no fewer than two business days confirming the venue, time and date together with an agenda of items to be discussed.
- c) A notice or agenda may be given by mail (electronic or otherwise), personal delivery or facsimile transmission to the usual place of business or residence of the member or at any other address given to the secretary of the Life CCC by the member or by any technology agreed by all the members.
- d) A failure to comply with any provision of this clause 4.4 does not affect the validity of any act, transaction, agreement, instrument, resolution or other thing if, at a meeting at which all members are present, the Life CCC resolves unanimously to validate the action.

4.5 Minutes

- a) The secretary will minute the proceedings and resolutions of all Life CCC meetings, including the names of those present and in attendance.
- b) Minutes of Life CCC meetings will be circulated to each member of the Life CCC and will be approved by the Life CCC.

4.6 Meetings by Technology

- a) Each member consents to the use of each of the following technologies for holding a meeting of the Life CCC:

- i. video conferencing;
 - ii. telephone;
 - iii. any other technology which permits each member of the Life CCC to communicate with every other member; or
 - iv. any combination of these technologies.
- b) Where the members of the Life CCC are not all in attendance at one place and are holding a Life CCC meeting using technology and each member can communicate with the other members:
 - i. the participating members are, for the purpose of the Code and this Charter concerning Life CCC meetings, taken to be assembled together at a Life CCC meeting and to be present at that Life CCC meeting; and
 - ii. all proceedings of those members conducted in that manner are as valid and effective as if conducted at a Life CCC meeting at which all of them were physically present in the one location.

4.7 Voting

- a) Each Life CCC Member has one vote.
- b) Every question arising at a meeting shall be determined, on a show of hands or as determined by the Life CCC Chair, by a simple majority.

4.8 Life CCC Chair

The Life CCC Chair will do all such things as are necessary to ensure the duties and responsibilities of the Life CCC as specified in the Charter are effectively discharged.

4.9 Delegation of authority by the Life CCC

The Life CCC may from time to time, by written resolution, assign to or vest in the Life CCC Chair powers and responsibilities of the Life CCC, with the exception of its power to impose a sanction in relation to Code non-compliance. A copy of the resolution of the Life CCC as to the authority of the Life CCC Chair will be accepted as conclusive. The Chair will not vote on such a resolution, with an affirmative vote by the other two members required to pass the resolution.

5. Material Personal Interests and Conflicts

5.1 Personal interest in a matter being considered at a Life CCC meeting

If a Life CCC Member has a material personal interest in relation to a matter that is being considered at a meeting of the Life CCC they must not:

- a) be present while the matter is being considered at the meeting; or
- b) vote on the matter, unless:
 - i. the Life CCC Member has notified the other Life CCC Members of their material personal interest;
 - ii. the other Life CCC Members are satisfied that the material personal interest should not disqualify the Life CCC Member from voting on the matter;

- iii. the nature of the personal material interest and the circumstances in which it was disclosed have been recorded in a minute; and
- iv. the minute, relevant determination or other reports on the matter are made available for inspection on request by any Code Subscriber affected.

For the avoidance of doubt, a material personal interest for the purposes of this clause does not arise solely by reason of a Life CCC Member's previous employment with or holding of office of a Code Subscriber, or by reason of the Life CCC Member being a policyholder or other customer of a Code Subscriber or its related bodies corporate.

5.2 General law obligations

The requirements in clause 5.1 have effect in addition to and not in derogation of any general law about conflicts of interest or conflicts of duties.

5.3 Alternate Representative

A Life CCC Member may nominate an alternate to attend a meeting which the Life CCC Member is unable to attend due to illness, absence from Australia, the operation of clause 5.1 or 5.2 or other significant circumstances, provided that:

- a) the Life CCC Member has asked the person they propose to nominate as an alternate if that person has any material personal interest in relation to a matter that is being considered at the relevant meeting of the Life CCC and the person has said they do not have such an interest; and
- b) the Life CCC's Member's nomination of the alternate is approved, prior to the meeting which the alternative is to attend, in writing (including by electronic means) by each of the other Life CCC Members.

A person appointed as an alternate may exercise all the powers of their appointor (other than the power to appoint an alternate), and is subject to all the requirements applying to the office of their appointor, at the meeting which they attend at which their appointor is not present.

6. Life CCC Compliance Monitoring Process

6.1 Methods

The Life CCC may for the purposes of monitoring compliance with the Code:

- a) make reasonable requests for a Code Subscriber and/or the Administrator to provide access to information, documents and systems, which the Life CCC considers necessary to discharge its functions;
- b) seek independent professional legal, accounting or other advice;
- c) conduct own-motion enquiries, audits of Code Subscribers' Code compliance and "shadow shopping";
- d) request each Code Subscriber to lodge an annual return reporting on their compliance with the Code; and
- e) enter into appropriate arrangements with FOS for the purpose of facilitating:
 - i. information exchange relevant to the Life CCC's functions; and

- ii. referrals to the Life CCC of an allegation that a Code Subscriber has breached the Code.

7. Life CCC Compliance Investigation Process

7.1 Investigations undertaken by the Life CCC

The Life CCC may commence an investigation of Code compliance in the following ways:

- a) in response to an allegation that a Code Subscriber may have breached the Code; or
- b) in response to a referral or report from FOS that a Code Subscriber may have breached the Code; or
- c) as an outcome of the Life CCC's monitoring process if the Life CCC has reason to suspect that a Code Subscriber may have breached the Code (including in circumstances where a Code Subscriber has self-identified a breach).

7.2 Matters outside the scope of Life CCC's investigation powers

The Life CCC:

- a) has discretion to determine whether a matter falls outside the scope of its investigation powers; and
- b) may develop a policy on how it will exercise its discretion to consider allegations of Code breaches pursuant to 7.1.

7.3 Process for considering alleged Code breaches

- a) Subject to clause 7.2, the Life CCC may, within a reasonable time of receiving a report of an alleged breach, consider that allegation in accordance with this Charter (including clause 13.1) and any operating procedures determined by the Life CCC in accordance with clause 12.
- b) Where the alleged breach is also the subject of a dispute before an external dispute resolution scheme or the subject of an investigation by any regulatory body, the Life CCC must await the final determination or findings of that body before deciding to carry out its investigation.
- c) Where the Life CCC investigates an alleged Code breach, the Life CCC must provide the Code Subscriber with an opportunity to respond to the alleged breach.

7.4 Notice of determination

- a) Following an investigation in accordance with clause 7.3, the Life CCC must make a determination in respect of the alleged breach.
- b) A determination made by the Life CCC must:
 - i. be in writing;
 - ii. include a brief description of the allegation;
 - iii. include a statement that in the Life CCC's view the reported allegation was proven in whole or in part or was unfounded;
 - iv. if applicable, state any finding by the Life CCC that the Code Subscriber is responsible for serious or systemic non-compliance with the Code;

- v. include reasons for the conclusions and findings of the Life CCC; and
 - vi. be provided to the Code Subscriber so that the Life CCC and the Code Subscriber can agree on any corrective measures and the relevant timeframes for implementing these.
- c) Determinations will be provided on a de-identified basis to all Code Subscribers to assist them in understanding their Code compliance obligations.
 - d) If the investigation is commenced in response to an allegation that a Code Subscriber has breached the Code, the determination will also be provided to the person who made the allegation.

8. Sanctions against Code Subscribers

8.1 Right to impose a Sanction

- a) The Life CCC has the right to impose a sanction on a Code Subscriber in accordance with the Code only after the Code Subscriber has failed to implement the corrective measures within the timeframe agreed in accordance with clause 7.4(b), or where the Life CCC fails to reach agreement in a reasonable time with a Code Subscriber about the corrective action to be taken.
- b) The Life CCC alone may impose a sanction on a Code Subscriber for breach of the Code, notwithstanding that a regulator may also have imposed its own sanction for the same breach if it is also a breach of regulation or law. The power to impose a sanction for a breach of the Code may not be delegated by the Life CCC.

8.2 Process for imposing a sanction

- a) Before imposing a sanction, the Life CCC will:
 - i. notify the Code Subscriber's Chief Executive Officer in writing; and
 - ii. provide an opportunity for the Code Subscriber to respond within 15 business days.
- b) The Life CCC will consider any response by the Code Subscriber before making a final determination and imposing any sanctions.
- c) The Life CCC will notify the Code Subscriber's Chief Executive Officer and the FSC in writing of its decision regarding any failure to correct a Code breach and any sanctions to be imposed.

8.3 Sanctions the Life CCC may impose

The Life CCC may impose one or more of the following sanctions only in accordance with the Code:

- a) require a Code Subscriber to undertake a rectification process or step within a specified timeframe, taking into account any rectification related to the breach agreed with or imposed on the Code Subscriber by any regulatory body;
- b) issue a formal warning to the Code Subscriber;
- c) require a Code Subscriber to undertake a Code compliance audit;

- d) require a Code Subscriber to undertake corrective advertising or write to anyone directly impacted by the breach; and
- e) publicly name a Code Subscriber as non-compliant with the Code, which must be published on the Code Subscriber's website and the FSC website.

8.4 Grounds for imposing a Sanction

- a) When determining any sanctions to be imposed, Life CCC will consider:
 - i. the principles and objectives of the Code;
 - ii. the appropriateness of the sanction
 - iii. any measures related to the breach agreed with or imposed on the Code Subscriber by any regulatory body; and
 - iv. whether the breach of the Code is a significant breach (defined in the Code).
- b) The Life CCC is under no obligation to impose a sanction in any of the circumstances referred to in this clause. The decision to impose a sanction is wholly at the discretion of the Life CCC, subject to the Charter.

9. Complaints concerning Life CCC

9.1 Complaints

- a) Any complaint that the Life CCC has not acted in accordance with the Code or the Charter that is received by the Life CCC or by the FSC or FOS will be considered and investigated by an independent party to be appointed jointly by the CEO of the FSC and the Chief Ombudsman of FOS.
- b) The independent party will make recommendations to the Life CCC, the FSC and FOS in respect of what, if any, steps should be taken in respect of the complaint.
- c) The independent party will advise a complainant of its determination in relation to any complaint.

10. Reporting by Life CCC

10.1 Collection of information for Annual Report

The Life CCC must, for each period for which it must prepare an Annual Report, collect and record data for the purposes of analysis and reporting on Code compliance.

11. Publication of Annual Report

- a) By 1 October each year, the Life CCC must prepare and publish an Annual Report for the period ending on 30 June in that year.
- b) Each Annual Report must include a fair and adequate summary and analysis of the information specified in clause 11(c). It may include any other matters the Life CCC thinks fit that are consistent with the functions of the Life CCC under the Code and this Charter.
- c) The Annual Report must include the following:
 - i. an outline of the activities of the Life CCC in the relevant period, including:
 - (A) de-identified information as to the reported allegations of breaches of the Code;

- (B) de-identified information as to investigated alleged breaches and any corrective measures agreed with Code Subscribers;
- (C) information as to any sanctions imposed by the Life CCC (de-identified where appropriate); and
- (D) information as to the number of meetings of the Life CCC and the attendance of Life CCC Members;
- ii. any recommendations on Code improvements and education relevant to the operation of the Code arising out of its experiences of Code compliance in the relevant period; and
- iii. a statement that the Life CCC has complied with the terms of the Charter in the period of the Annual Report and, if there has been any non-compliance, the Annual Report must identify that non-compliance and the reasons for it including any action that may have been instituted by the Life CCC to ensure that such non-compliance does not occur in the future.
- d) Each year the Life CCC must prepare and publish aggregated industry data and consolidated analysis of Code compliance by the Code Subscribers for the relevant period. This information may be provided separate to the Annual Report. Before determining what data it collects and publishes, the Life CCC should take into account any industry data already published by any regulator or the FSC to avoid duplication.

12. Policies, guidelines, reporting forms and operating procedures

12.1 Development of reporting forms and operating procedures

The Life CCC may develop:

- a) policies and guidelines on the administration of the Code; and
- b) compliance reporting and other forms; and
- c) operating procedures related to the activities of the Life CCC and/or the Administrator (if relevant),

that are consistent with this Charter and the Code.

In conjunction with the FSC, the Life CCC will consult with Code Subscribers in developing these policies, guidelines, reporting forms and operating procedures. The Life CCC may also consult with other organisations and individuals with an interest in the Code, as the Life CCC sees fit.

13. General principles and procedures

13.1 General principles

When considering an alleged breach, the Life CCC must:

- a) ensure a Code Subscriber, or Code Subscribers, to whom an alleged breach or investigation relates is, or are, accorded procedural fairness throughout the course of the Life CCC's consideration of the alleged breach or conduct of the investigation;
- b) ensure, as far as practicable, that:

- i. a Code Subscriber's business is not disrupted unduly; and
- ii. a Code Subscriber's customers are not inconvenienced unduly; and
- c) act reasonably in all circumstances.

13.2 Confidentiality of information

- a) In this Charter, "confidential information" means all technical, commercial and other confidential information and materials of a Code Subscriber, consumer or small business and includes any information or material that discloses or relates to:
 - i. a Code Subscriber's compliance or non-compliance with the Code;
 - ii. an actual or alleged breach of the Code;
 - iii. commercial, financial or legal affairs of a Code Subscriber including but not limited to pricing policies, costing information, supplier lists and customer lists;
 - iv. legal advice;
 - v. a matter to which an obligation of confidence applies under privacy law; and
 - vi. any other information or material which is of a confidential or sensitive nature, is marked or denoted as being confidential or which a reasonable person to whom that information or material is disclosed, or to whose knowledge that information or material otherwise comes, would consider confidential.
- b) Subject to paragraph (c), a person referred to in clause 4.1(c) must not disclose, or use for a purpose other than contemplated by this Charter or the Code, any confidential information supplied to it in connection with the conduct of the business of the Life CCC.
- c) A Life CCC Member may disclose any confidential information:
 - i. to another Life CCC member or to any person to whom disclosure is reasonably required for the purpose of the Life CCC exercising its functions under the Code or the Charter;
 - ii. to any person to whom disclosure of confidential information is required by law;
 - iii. under corresponding obligations of confidence as imposed by this clause 13 to a person retained to provide advice in accordance with clause 5.1(b);
 - iv. for the purpose of imposing a sanction on a Code Subscriber in accordance with the Code; or
 - v. with the prior written consent of the Code Subscriber, subject to privacy law.

13.3 Authority to give oral or written public statements

The Life CCC, and each Life CCC Member, will not make public statements on behalf of the Life CCC, except:

- a) as contained in the Annual Report; or
- b) as required in the performance of its functions and responsibilities as set out in clause 1 of this Charter.

14. Interpretation

The following words have the following meanings:

Administrator means an entity appointed in accordance with clause 2.3.

Charter means this Life Code Compliance Committee Charter.

Code means the Life Insurance Code of Practice 2016 as amended from time to time.

Code Subscriber means an entity that is bound by the Code.

FOS means the Financial Ombudsman Service Limited.

FSC means the Financial Services Council Limited.

Life CCC means the Life Code Compliance Committee.

SCT means the Superannuation Complaints Tribunal.