



AIA House,
74 Taharoto Road,
Takapuna,
Auckland 0622
-
Private Bag 92499,
Victoria Street West,
Auckland 1142

Phone (Int.) +64 9 487 9963
Freephone 0800 500 108
-
enquireNZ@aia.com
aia.co.nz

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Financial Markets policy Building, Resources and Markets
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140
New Zealand

By email: financialmarkets@mbie.govt.nz

CONSULTATION – EFFECTIVE FINANCIAL DISPUTE RESOLUTION

This submission is made on behalf of AIA New Zealand Limited and its related entities (together **AIA NZ**) in response to the May 2024 Effective Financial Dispute Resolution discussion document (the **Discussion Document**) published by the Ministry for Business, Innovation and Employment (**MBIE**).

About AIA NZ

AIA NZ is a member of the AIA Group, which comprises the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets in Asia-Pacific and is listed on the Main Board of The Stock Exchange of Hong Kong. It is a market leader in the Asia-Pacific region (excluding Japan) based on life insurance premiums and holds leading positions across the majority of its markets.

Established in New Zealand in 1981, AIA NZ is New Zealand's largest life insurer and has been in business in New Zealand for over 40 years. AIA NZ's vision is to champion New Zealand to be the healthiest and best protected nation in the world.

AIA NZ offers a range of life and health insurance products that meet the needs of over 800,000 New Zealanders. AIA NZ is committed to an operating philosophy of Doing the Right Thing, in the Right Way, with the Right People.

Submission

AIA NZ does not have a position on the majority of the issues and questions raised in the discussion document and our submission does not respond to these questions. AIA NZ has a comprehensive complaints policy and processes underpinned by our operating philosophy, and we are confident that AIA NZ customers know how to make a complaint and are informed about their ability to refer complaints to an independent dispute resolution scheme free of charge.

AIA NZ wishes to raise one matter in response to question 24 of the Discussion Document "*Are there any other areas and options for change that we should consider that have not been addressed in this discussion document?*"



Currently dispute resolution scheme (**Scheme**) rules do not address how complaints that are materially the same should be dealt with when the complaint is made to multiple Schemes. This may legitimately occur when, for example, a complaint is raised with the Scheme of an insurer and also with the Scheme of their financial adviser. In this situation both Schemes would legitimately investigate the complaint concurrently and it is possible that one Scheme may find the complaint unfounded and the other may find differently.

In some circumstances this may be appropriate where the complaint is about different conduct, however where the complaint is about materially similar conduct this creates confusion for Schemes, participants and also customers, especially when conflicting decisions are reached.

While Schemes do try and work together this does not always occur effectively. Although most Scheme rules would stop a Scheme from reinvestigating a complaint previously decided by another Scheme, most rules do not address simultaneous complaint investigations.

We suggest that this is an area that MBIE should investigate further and which may require regulations in order to address and ensure that Schemes are working effectively and consistently in these circumstances.

Next Steps

We would be pleased to discuss any questions you have on this submission, and we would welcome the opportunity to collaborate or consult further with MBIE as it considers the next steps.

Yours faithfully

Privacy of natural persons

**General Counsel and Company Secretary
AIA New Zealand Limited**