

Summary of Fair Conduct Programme

1 Introduction

Berkshire Hathaway Specialty Insurance Company (Inc. in Nebraska, USA. NZ Company No. 5737531, FSP 445946) is a general insurer licensed by the Reserve Bank of New Zealand ('BHSI').

BHSI prides itself on treating customers fairly in the design and distribution of, and handling of claims under, 'consumer' insurance contracts it sells – being those insurance contracts acquired wholly or predominantly for household, domestic or residential purposes. (An example is personal motor vehicle insurance.) BHSI maintains a Fair Conduct Programme which encompasses the approach, processes and activities for ensuring customers are treated fairly, and in accordance with regulatory and good faith obligations.

2 Key elements of BHSI's Fair Conduct Programme

Some of the ways BHSI treats consumers fairly are by:

- paying due regard to consumers' interests
- acting ethically, transparently, and in good faith, when selling insurance policies and handling claims
- endeavouring to make our policies clear, to help consumers understand the policy they are considering
- ensuring that the overall price and the quality of the product and services provide value to consumers
- tailoring our insurance products to try to meet customers' likely requirements and objectives, and
- not subjecting them to unfair pressure or tactics or undue influence, including in distribution and claims.

3 Fairness in distribution of BHSI's consumer products

BHSI takes steps to ensure that its Fair Conduct Programme is observed and upheld by any third party distributing on our behalf BHSI insurance products (such as Managing General Agents, or binding agents) and services (such as third party claims administrators). This may include by us:

- requiring such third parties to avoid or appropriately manage conflicts of interest
- ensuring any commissions or other remuneration paid to distributors is not inappropriate, having regard to the nature and price of the product, complexity and costs of distribution, and value the product offers to consumers
- ensuring that no BHSI employee, and no distributor of BHSI's insurance products, is paid or rewarded with incentives prohibited by law, such as volume rebates, and
- appropriate training to distributors and third parties about our Fair Conduct Programme and its goals.

4 Monitoring Fair Conduct outcomes for customers

BHSI monitors and assesses its products, their use, claims, customer concerns and complaints, and the activities of those in its distribution chain, for measures of good and unsatisfactory conduct for consumers.

5 Concerns or complaints?

BHSI welcomes feedback and an opportunity to address any circumstance – whether products or service - which fall below expectations. You can raise a complaint or concern by writing to us at complaints.newzealand@bhspecialty.com. Further details are found in BHSI's Complaints Procedure.