

MEDIA RELEASE



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CGU TO PROVIDE AUTOMATIC FLOOD COVER IN HOME, CONTENTS AND LANDLORDS POLICIES AND IMPROVED CUSTOMER EXPERIENCE

Automatic flood cover is one of a range of benefits CGU Insurance is introducing to give increased coverage and peace of mind to its customers.

From February 2012, CGU's home, contents and landlords policies will automatically include cover for flood on renewal, ensuring its customers are fully covered in the event of storm or flood water damage to their home. This will also speed up the claims process by removing the need for complex assessments.

"Our customers and intermediaries have told us that automatically including flood cover in our policies will remove ambiguity when a property is damaged by storm or flood water and give them increased certainty and peace of mind," said Peter Harmer, CEO, CGU Insurance.

CGU has been able to introduce flood cover due to recently improved access to flood mapping data from local councils and state governments and a commitment from Federal Government to developing a central, consistent source of flood mapping data.

Mr Harmer said CGU will also introduce additional measures to further support its customers in the event they need to lodge a claim, making the process as quick and simple as possible.

These measures include:

- A new 'contact agreement' that will enable CGU customers to decide how frequently they wish to be updated on the progress of their claim, and how they want to be contacted;
- Exploring options to provide access to professional counselling for customers making a claim who have suffered a major loss or trauma;
- A review of CGU's Internal Dispute Resolution (IDR) system to ensure it is as simple and easy for customers as possible. In addition, all information used to make a decision on a claim will automatically be provided to customers when that decision is made;

- Continuing to support and participate in the implementation of initiatives announced by the Federal Assistant Treasurer, the Hon Bill Shorten MP, such as the standard definition for flood, Key Facts Sheet and a review of the General Insurance Code of Practice.

“There is an opportunity to learn from natural disasters of the size and severity we saw earlier this year. We have listened to feedback from our customers following last summer’s floods in Queensland and Victoria and implemented this range of initiatives to ensure we are providing our customers with the best possible service, now and in future,” said Mr Harmer.

“While our assessment process enabled us to resolve claims quickly and accurately, it’s clear to me that the process sometimes didn’t meet our customers’ expectations and it is important we respond to this. As an organisation we’re committed to learning from feedback, and I’m confident our customers will welcome these changes.”

CGU’s automatic flood cover will be introduced in February 2012. All current policy holders will be notified by mail or via their insurance broker or adviser.

CGU will calculate flood cover premiums according to the unique property address and based on the possibility of each individual property flooding and the severity of damage.

Anyone seeking information about their CGU flood cover can talk to their insurance broker or adviser, visit www.cgu.com.au or call 13 15 32.

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About CGU

CGU Insurance is the largest provider of general insurance to Australia’s regional and rural communities, a leading workers’ compensation provider and one of Australia’s leading commercial insurers. CGU offers a comprehensive range of commercial, rural and personal insurance products through a network of over 1,000 insurance brokers and authorised representatives. CGU has been operating in Australia for 160 years and is part of Insurance Australia Group (IAG).