



A Distributor's Guide: to anti-hawking laws

NM Insurance Pty Ltd

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 Land  Load  Sea

What are anti-hawking laws?

Consumers have a right to decide whether, when and how they want to be contacted about insurance.

To protect this right, hawking laws prohibit **unsolicited insurance offers**.

You make an insurance offer if you:

- Offer someone a quote;
- Provide a quote to someone; or
- Invite someone to buy a policy.

An insurance offer is unsolicited if:

- It takes place in person, by telephone or other **real time** communication (such as instant message or chat-bot); and
- Its recipient has not **previously** consented to or requested it.



Unless an exception applies, consent to an insurance offer **CAN'T** be obtained once a meeting, telephone call or communication has begun.

Examples:

- “While you’re here, can I talk to you about insurance?”
- “Would you like me to give you an insurance quote?”
- “I’ll just give you a quick quote so you can compare it with your current provider?”
- “Do you have any other assets I can offer insurance on?”



Anti-hawking exceptions

There are two important exceptions to anti-hawking laws.

The Asset sale exception

Insurance can be offered when someone commits to purchasing a pleasure craft, motorcycle, caravan or motorhome (**Asset**).

Someone commits to purchasing an Asset when they:

- Place a purchase order;
- Pay the balance of a purchase price; or
- Take possession of a new Asset.

When a consumer commits to purchasing or financing an Asset, consent to discussing management of inherent financial risks is accepted as being within the scope of their request to purchase or finance it. However, an insurance offer can only be made during the communication in which the commitment occurs.

The Asset finance exception

Insurance can be offered when someone commits to financing their purchase of an Asset.

Someone commits to financing an Asset when they:

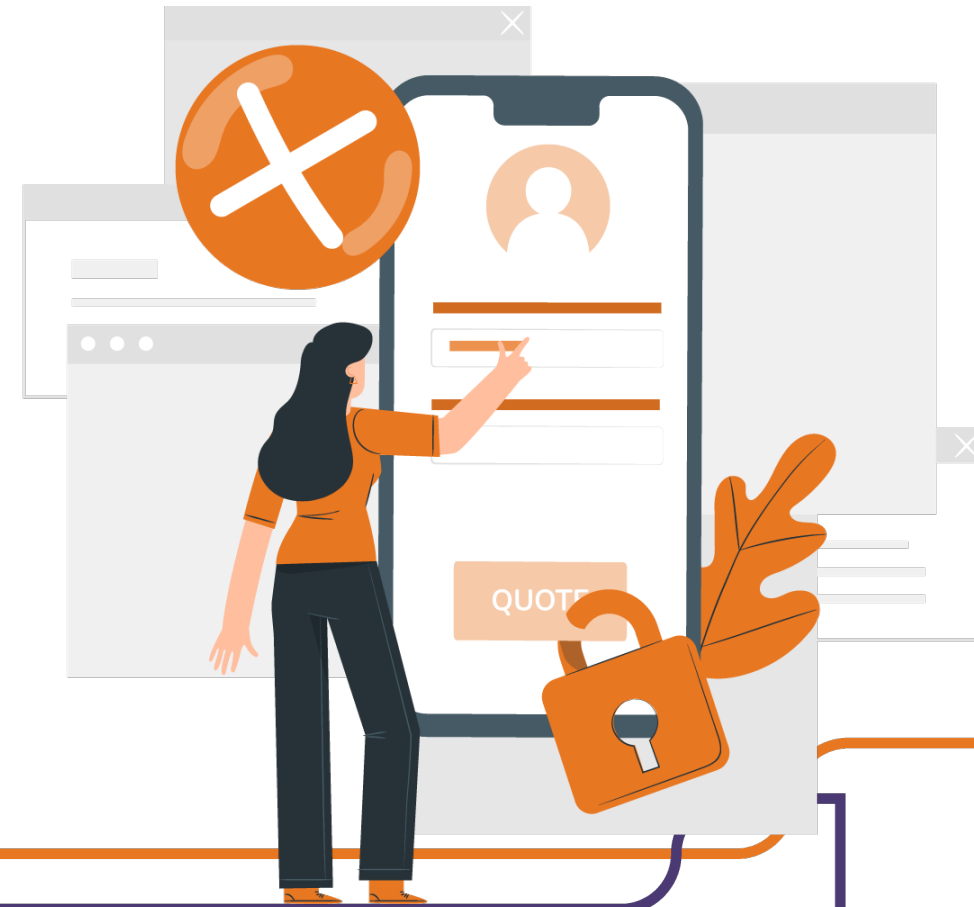
- Have been informed of and finalise an approved finance application.



Despite these exceptions, **NEVER** enter someone's details into a quoting platform, or generate a quote for them if they haven't agreed to this.

Examples:

- "Here's a quote I've prepared for you"
- "The total cost will be \$xx.xx including insurance"
- "Here's a quote subject to your claims and driving history"
- "This weekly payment figure is for a fully secured loan including insurance"



Anti-hawking laws in practice

Scenario 1: Meetings, telephone calls and communications with no commitment to purchase or finance an Asset.



You must not offer insurance.

You must not elicit consent to offer insurance including through leading questions.

Examples:

- “Is your boat insured?
Can I give you a quick quote?”

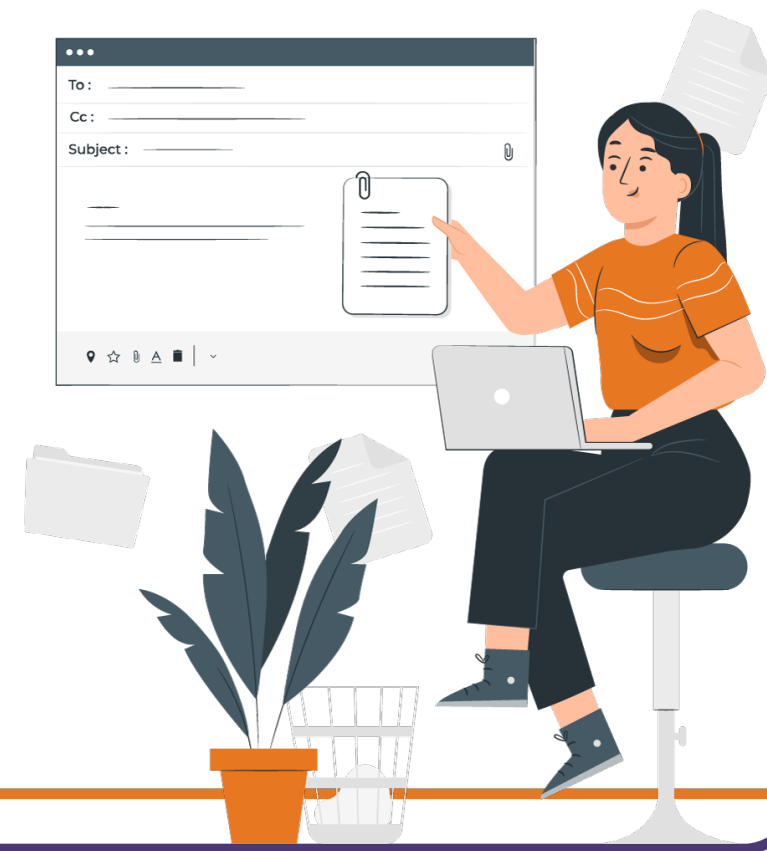


You can provide a brochure and general factual information about insurance and your role as a distributor, provided you don't make an insurance offer.

Example:

- “I’m an authorised distributor of National Motorcycle Insurance. Here’s a brochure that tells you more about it”

In this scenario you can only provide a quotation or arrange insurance if the consumer clearly and voluntarily request this without being prompted to do so. If they do this, you must make a record of their request on the first screen of our quoting platform.



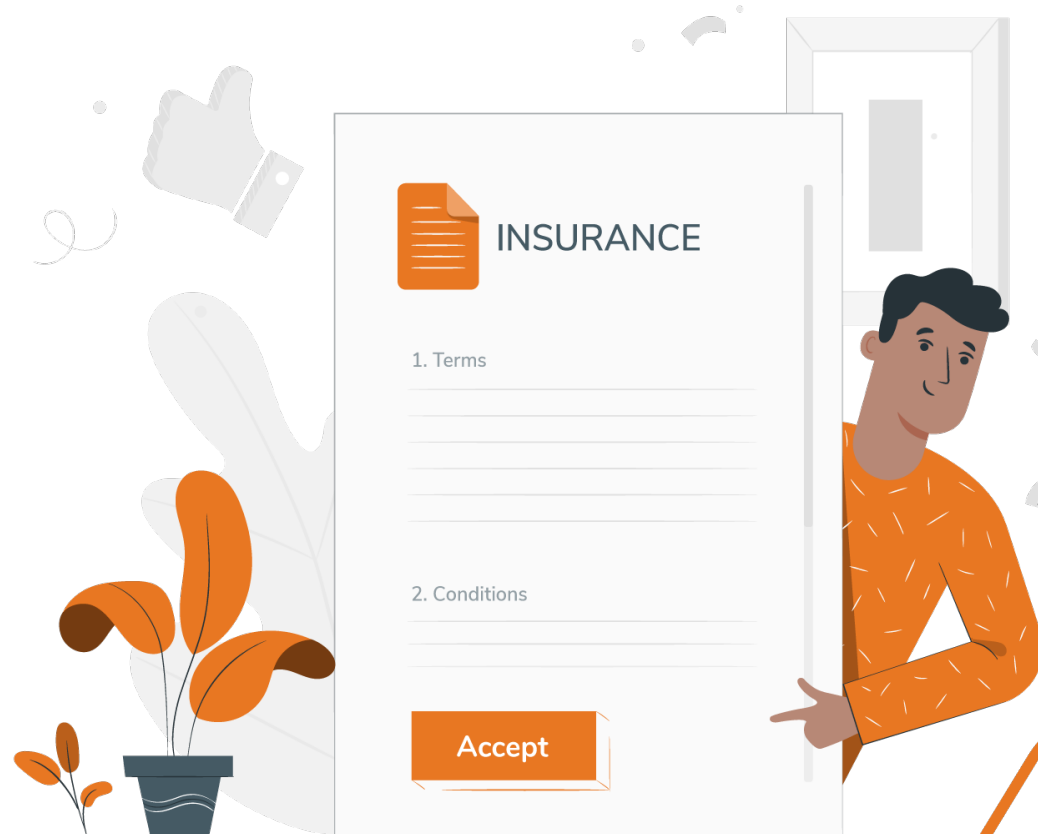
Anti-hawking laws in practice

Scenario 2: Meetings, telephone calls and communications concluding with a commitment to purchase or finance an Asset.



You can offer insurance.

Your insurance offer must be made during the meeting, telephone call or other real time communication in which the commitment occurs.



Boat



Bike



Caravan



nm insurance
SECURING THE JOURNEY TOGETHER

Anti-hawking laws in practice

Scenario 3: Consumer initiated insurance requests.



You can offer insurance to a consumer who contacts you of their own volition to request an insurance quote or purchase.

You must make a written record of the consumer's contact and request, on the first screen of our quoting platform.



Anti-hawking laws in practice

Scenario 4: Industry shows, events and exhibitions



You must not offer insurance to people passing or visiting your stand.

Examples:

- “Hello Sir, can I give you a quick insurance quote?”



You can provide a brochure and general factual information about insurance and your role as a distributor, provided you don't make an insurance offer.

Example:

- “I'm a distributor of Nautilus Marine Boat Insurance, a comprehensive boat insurance policy. Here's a brochure with more information”

In this scenario you can only provide a quotation or arrange insurance if the consumer clearly and voluntarily request this without being prompted to do so. If they do this, you must make a record of their request on the first screen of our quoting platform.



You can offer insurance to a person who commits to purchasing or financing an Asset.

Your insurance offer must be made during the communication in which the commitment occurs.

See scenario 2



Dealership FAQs



Dealership FAQs

Can I offer insurance when a consumer attends the dealership to browse stock?



You must not offer insurance unless the consumer specifically requests this without being prompted to do so.

See Scenario 1

Can I offer insurance when a consumer attends the dealership, calls or receives a call to get a quote for an Asset?



You must not offer insurance unless the consumer specifically requests this without being prompted to do so.

See Scenario 1

Can I offer insurance when a consumer attends the dealership, calls or receives a call to place a purchase order for an Asset?



You can offer insurance provided you do so during this meeting or call.

See Scenario 2



Dealership FAQs

Can I offer insurance when a consumer attends the dealership, calls or receives a call to obtain a finance quotation or submit a finance application?



You must not offer insurance unless the consumer places a purchase order, or specifically requests insurance without being prompted to do so.



However, if the existence of insurance will be a condition of any subsequent finance agreement, you can inform the consumer of this and tell them that:

- You're a distributor of [Product Name]; and
- You can provide a quotation if required.

Only provide an insurance quotation if the consumer clearly and voluntarily request this without being prompted to do so. If they do this, you must make a record of their request on the first screen of our quoting platform.

See Scenario 1

Can I offer insurance when a consumer attends the dealership, calls or receives a call to finalise an approved finance application?



You can offer insurance or follow up on a previous quotation provided you do so during this meeting or call and the consumer has not previously informed your dealership that they are not interested in:

- Discussing insurance; or
- Proceeding with a quote.

See Scenario 2

Can I offer insurance when a consumer calls or receives a call for a general update on their Asset purchase or finance application?



You must not offer insurance or follow up on a previous quotation unless the consumer specifically requests this without being prompted to do so.

See Scenario 1

Can I offer insurance when a consumer attends the dealership, calls or receives a call to pay the balance of their Asset purchase price?



You can offer insurance or follow up on a previous quotation during this meeting or call provided the consumer has not previously informed your dealership that they are not interested in:

- Discussing insurance; or
- Proceeding with a quote.

See Scenario 2



Dealership FAQs

Can I offer insurance when a consumer calls or receives a call to arrange collection or delivery of their Asset?



You can offer insurance or follow up on a previous quotation provided you do so during this call and the consumer has not previously informed your dealership that they are not interested in:

- Discussing insurance; or
- Proceeding with a quote.

See Scenario 2

Can I offer insurance when a consumer attends the dealership or calls to ask you to provide an insurance quotation or arrange insurance for them?



You can offer insurance as this is a consumer initiated request.

See Scenario 3

Can I offer insurance when a consumer attends the dealership to collect their Asset?



You can offer insurance or follow up on a previous quotation provided you do so during this meeting and the consumer has not previously informed your dealership that they are not interested in:

- Discussing insurance; or
- Proceeding with a quote.

See Scenario 2

Can I offer insurance when a consumer attends the dealership to have their Asset serviced, repaired, surveyed, inspected or valued?



You must not offer insurance unless the consumer specifically requests this without being prompted to do so.

See Scenario 1



Finance brokerage FAQs



Finance brokerage FAQs

Can I offer insurance when a consumer calls or receives a call to obtain a finance quotation or submit a finance application?



You must not offer insurance unless the consumer specifically requests this without being prompted to do so.



However, if the existence of insurance will be a condition of any subsequent finance agreement, you can inform the consumer of this and tell them that:

- You're a distributor of [Product Name]; and
- You can provide a quotation if required.

Only provide an insurance quotation if the consumer clearly and voluntarily request this without being prompted to do so. If they do this, you must make a record of their request on the first screen of our quoting platform.

See Scenario 1

Can I offer insurance when a consumer calls or receives a call for a general update on their finance application?



You must not offer insurance or follow up on a previous quotation unless the consumer specifically requests this without being prompted to do so.

See Scenario 1

Can I offer insurance when a consumer calls or receives a call to finalise an approved finance application?



You can offer insurance or follow up on a previous quotation during this call provided the consumer has not previously informed your company that they are not interested in:

- Discussing insurance; or
- Proceeding with a quote.

See Scenario 2

Can I offer insurance when a consumer calls to ask if you can provide an insurance quotation or arrange insurance for them?



You can offer insurance as this is a consumer initiated request.

See Scenario 3





This Distributor Guide contains a basic overview of anti-hawking laws for general insurance distributors of NM Insurance Pty Ltd. It does not constitute legal advice and any examples used in it are purely for illustration; they are not an exhaustive list of the types of consumer interactions that may be impacted by anti-hawking laws. Always seek guidance from your local Business Development Manager if you're unsure.

For any further information visit www.nminsurace.com.au
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