



ASIC
Australian Securities &
Investments Commission

M01568883

INFRINGEMENT NOTICE

Section 12GX of the *Australian Securities and Investments Commission Act 2001* (Cth)

Date of giving this notice: 6 May 2025

Unique identification code: M01568883

TO: Zurich Australia Limited
ACN 000 010 195
118 Mount Street
North Sydney NSW 2060

1. ASIC gives this infringement notice under section 12GX of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**).
2. ASIC has reasonable grounds to believe that Zurich Australia Limited (**Zurich**) has contravened an infringement notice provision as follows:
 - a) On 17 May 2024, Zurich contravened s12DB(1)(i) of the ASIC Act by, in trade or commerce, in connection with the supply or possible supply of financial services, making a false or misleading representation concerning the existence, exclusion or effect of any condition, right or remedy.
 - b) On 17 May, Zurich sent a letter dated 9 May 2024 (**Letter**) to a customer (**Claimant 2**) making a claim under his OneCare Trauma Premier policy (**Policy**), with a start date of [REDACTED] 2021. The Letter informed Claimant 2 that Zurich had decided to decline his claim. It stated: "In respect to the policy definition of *Cancer (excluding less advance cases)*, the TNM classification of melanoma in situ is T1, less than the T1b classification required to meet this definition, and the histological grading of melanoma in situ is Clark level 1, less than the Clark level 3 required to meet this definition. The histopathology reports also do not indicate any Breslow thickness measure, and the definition requires a Breslow thickness of at least 1.00mm, and there is also no evidence of ulceration of the melanoma. The policy definition of *Melanoma (early stage)* specifically excludes the condition of melanoma in situ. For these reasons, your condition of melanoma in situ does not meet either of the above policy definitions. We therefore regret to advise that no benefit is payable on this occasion and your claim has been declined."
 - c) By making the statement in the Letter and sending it to Claimant 2, Zurich represented that Claimant 2's Policy specifically excluded melanoma in situ from the cover for melanoma outside the definition of Cancer.
 - d) The representation was false or misleading as the definition of Melanoma applicable to Claimant 2's Policy, separate to the definition of Cancer, did not specifically exclude cover for melanoma in situ.

Amount payable under this notice

3. The amount payable under this notice in relation to the alleged contravention is **\$18,780**. This amount can be paid using the method detailed in the covering letter accompanying this notice.
4. The payment period for the notice will be 28 days, beginning on the day after this notice is given, unless the period is extended, an arrangement is made for payment by instalments or the notice is withdrawn.
5. Zurich may, in writing, apply to ASIC to have the period in which to pay the amount extended or for an arrangement to pay the amount by instalments.

Consequences of paying the amount payable under this notice

6. If Zurich pays the amount stated in this notice within the time for payment mentioned above then (unless this notice is withdrawn):
 - (a) any liability of Zurich for the alleged contravention is discharged;
 - (b) Zurich will not be liable to be prosecuted in a court, and proceedings seeking a pecuniary penalty order will not be brought, in relation to the alleged contravention of the infringement notice provision; and
 - (c) Zurich will not be regarded as having contravened the infringement notice provision or having been convicted of an offence constituted by the same conduct.
7. Payment of the amount payable under this notice is not an admission of guilt or liability.

Consequences of not paying the amount payable under this notice

8. Zurich may choose not to pay the amount specified in this notice.
9. If Zurich does not pay the amount specified in this notice within the time for payment mentioned below, and the notice is not withdrawn, then Zurich may be prosecuted in a court, or proceedings seeking a pecuniary penalty order may be brought, in relation to the alleged contravention of the infringement notice provision.
10. The maximum pecuniary penalty that a court may order Zurich to pay for the alleged contravention is the greatest of:
 - a) **\$15,650,000**; and
 - b) if the Court can determine the benefit derived and detriment avoided because of the contravention – that amount multiplied by 3; and
 - c) either:
 - i. 10% of annual turnover of the body corporate for the 12-month period ending at the end of the month in which the body corporate contravened, or began to contravene, the civil penalty provision;
 - ii. if the amount worked out under subparagraph (i) is greater than an amount equal to \$782.5 million - \$782.5 million.
11. The maximum criminal penalty that a court may order Zurich to pay for the alleged contravention is **\$6,260,000**.

Applying for more time to pay the amount payable under this notice

12. ASIC may at its discretion extend the time to pay the amount payable under this notice if ASIC is satisfied that it is appropriate to do so.
13. If Zurich wishes to apply for an extension of time to pay the amount specified in this notice, Zurich must do so in writing within 28 days after the day the notice is issued (see paragraph 20).

Applying to pay the amount payable under the notice by instalment

14. ASIC may at its discretion make an arrangement for Zurich to pay the amount payable by instalments if ASIC is satisfied that it is appropriate to do so.
15. If Zurich wishes to apply for an arrangement to pay the amount payable under the infringement notice by instalments, Zurich must do so in writing within 28 days after the day the notice is issued to you (see paragraph 20).

Applying to have this notice withdrawn

16. Within 28 days after the day on which this notice is given, Zurich may apply to have this notice withdrawn by making written representations to ASIC (see paragraph 20).

Withdrawal of this notice

17. ASIC may at its discretion, by written notice given to Zurich, withdraw this notice if ASIC is satisfied that it is appropriate to do so, whether or not Zurich has applied to have this notice withdrawn (**withdrawal notice**).
18. If the withdrawal notice is given after Zurich has paid the amount specified in this notice, ASIC will refund to Zurich the amount paid under the notice.
19. If the notice is withdrawn, then Zurich may be prosecuted in a court, or proceedings seeking a pecuniary penalty order may be brought, in relation to the alleged contravention of the infringement notice provision.

Requirements for applications

20. An application to have this notice withdrawn, for more time to pay the amount payable under this notice or to pay by instalments:
 - a) must be in writing;
 - b) must include the unique identification code set out at the top of this notice;
 - c) must include your reasons for making the application; and
 - d) may be made by forwarding your application to ASIC at the address in paragraph 21.
21. You may contact ASIC in relation to this notice by contacting:

Tom O'Shea
Australian Securities and Investments Commission
GPO Box 9827
MELBOURNE VIC 3001
or by email: ACLInfringementNotices@asic.gov.au

A handwritten signature in black ink, appearing to read 'Tom O'Shea'.

Tom O'Shea
as a delegate of the Australian Securities and Investments Commission