

Treating Customers Fairly

A consumer's view

Uberrimae Fidei

Uberrimae Fidei – Utmost good faith

Uberrimae Fidei – Utmost good faith or One-way street?



Insurance companies are like Linesmen

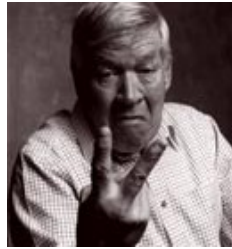


Every time that they make a mistake...
... instead of admitting to it ...
... they find an excuse...
... by looking at the detail of the small-print ...
...to justify their decision.

Who am I?



How much trust?



What does he expect?



- Please be honest with me
- Please speak English
- Please meet my needs not those of my (ex) adviser
- Please don't hide behind small print
- Please don't waste my money
- Remember that I don't trust you...
- ... and all I want is to be treated fairly.

I know that the regulators are on my side



Is she typical ?



- She describes her job as boring and wants to be famous.
- She has auditioned for Pop Idol has been a page 3 model and now is a presenter on the Porn Channel.
- She declares herself mad about sex.
- She spent her time chasing Stuart and finally got him under the dining table (allegedly).
- She has worked as a chambermaid, shop assistant, checkout op and beautician.
- Her perfect Valentine's dinner is a Pizza Hut all you can eat special with nachos starter and an ice cream dessert.

1999 ABI – Definition of cancer

- A malignant tumour characterised by the uncontrolled growth and spread of malignant cells and invasion of tissue. The term cancer includes leukaemia and Hodgkin's disease but the following are excluded:
- All tumours which are histologically described as pre malignant, as non-invasive or as cancer in situ.
- All forms of lymphoma in the presence of Human Immunodeficiency Virus.
- Kaposi's sarcoma in the presence of any Human Immunodeficiency Virus.

Any skin cancer other than malignant melanoma.

Please speak clearly!

"Waiver of premium benefit will remain in force if you reside in, or travel to, the European Union and/or travel or live temporarily in any other part of the world for a period not exceeding three months in any 12 months."

"You can have even more than one of the same benefit. For example, you can have a death or earlier critical illness benefit on an income basis for family protection and the same benefit on a decreasing lump sum basis for loan protection..."

TPD – No wonder so many claims are declined

PERMANENT TOTAL DISABILITY FROM PERFORMING THE LIFE ASSURED'S OWN OCCUPATION.

PLEASE THAT THIS BENEFIT IS NOT AVAILABLE IF YOU HAVE AN ADAPTABLE ENDOWMENT PLAN WITH LIFESTYLE BENEFIT.

YOUR POLICY SCHEDULE WILL CONFIRM WHETHER THIS BENEFIT IS INCLUDED.

POLICY DEFINITION:

"A DISABILITY WHICH MEANS THAT, IN THE REASONABLE OPINION OF THE COMPANY, THE LIFE ASSURED IS, THROUGH AN ILLNESS OR ACCIDENT ARISING OR OCCURRING BEFORE HIS OR HER 60TH BIRTHDAY TOTALLY AND IRREVERSIBLY UNABLE TO CARRY OUT ALL THE TASKS INVOLVED IN THE APPLICATION FORM ON THE BASIS OF WHICH THE COMPANY ISSUED THE POLICY.

THE COMPANY CAN REQUIRE CONFIRMATION THAT THE LIFE ASSURED'S DISABILEMENT IS IRREVERSIBLE FROM AN APPROPRIATE CONSULTANT PHYSICIAN OF A MAJOR UK HOSPITAL, AND, IF THE COMPANY SO REQUIRES, THAT CONFIRMATION MUST BE SUPPORTED BY ONE OR MORE APPROPRIATE CONSULTANT PHYSICIANS NOMINATED BY THE COMPANY. THE LIFE ASSURED WILL HAVE TO TAKE EVERY REASONABLE ACTION TO MITIGATE THE EFFECT OF ANY DISABILITY AND ENABLE HIM OR HER TO CARRY OUT THE RELEVANT GAINFUL OCCUPATION"

Critical does not mean critical



- It won't pay if you die!
- Seems blatantly unfair
- Change name to "not that critical"!
- I will sue you
- High claim decline rate
- Is that in anyone's interests?

Non-Disclosure



Application forms

- Clear, frequent warnings about non-disclosure...
- ...and continuing duty of non-disclosure.
- Clear objective questions not long list or vague questions.
- Say when you will and will not be covered.

Please make warnings clear

Please answer all of the questions on this form honestly and in full. If you miss any information out, or give us mis-leading information, this could mean that we do not pay a claim. This could also delay the processing of your application.

If you lie to us, your claim will not be paid.

Reviewable premiums

- I understand fixed and variable mortgages, you pay more for a guarantee that interest rates will not rise.
- In principle I am happy with the same concept for CI, provided that it is clearly explained to me ...
- ... both by the adviser and in the company's literature.
- Could this be linked to an index, for example I prefer tracker mortgage to variable.







Is this a joke

Treating Customers Fairly



And finally

For Critical Illness?

- Improve the quality of sales people.
- Clear, frequent warnings about non-disclosure.
- Tell customers when they are and are not covered.
- Tell customers when and how you review premiums.

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