

From: s 9(2)(a)
To: [Insurance Review](#)
Subject: Insurance Contract law--review
Date: Tuesday, 10 July 2018 10:38:57 a.m.

I refer to your 'summary of key issues for consumers' sheet. My background is as a Insurance claims assessor/loss adjuster/ broker/manager etc with over 40 years in practice (now retired). My experience over that time is that the various companies I worked for and with were quite reasonable in their attitudes to the points you raise. However , I suspect with heavy losses in recent years they are now following the clauses more closely. The ChCh earthquakes have also meant lots more people have made claims than would occur in normal years--hence more people reading their policies !

My comments on your specific Questions are--

Disclosure

1. I am but most people are not. However Insurers seem to be covering that in some detail, when Insurance is arranged
2. The only time is if whoever is arranging the cover , mentions it.
3. Unfortunately most people do not, but they do answer any questions put to them.
4. No, but those that do suffer, mostly without being aware of the requirements.

General Comment re Disclosure.

This unfortunately is basically all to the Insurers benefit. Most people dont want to answer a long questionnaire either verbally or a long form to fill in. I understand why the Insurers want to know i.e. so they can determine the correct premium for the risk.

Regulations

Questions

1. Prompt consideration and decision about claims made. The clients should also try to be helpful!
- 2a. Often not explained to the client.
- b. Explanation given, but often the client " doesnt want to hear' and launches into a tirade ! This helps no one.
- c. Often not given.
- d. Complaint handling is rather formal and generally in writing. I think the client should be offered a prompt one-on-one meeting with suitable staff, (i.e. with suitable authority to settle etc) to cover the matter. It may resolve matters ' on the spot'. My experience is that often the complaint is minor and a reasonable attitude by both parties resolves it.
- 3.No--but yes to others. Comes about if the seller is 'desperate' for the sale (commission etc) or didnt listen properly.
4. No--but then I know about policies etc.

Comparing and Changing Policies/Providers

Questions

1. All of the points mentioned--but most people dont, unfortunately.
2. 20 minutes, *but most people dont read it--that mostly the cause of later problems.*
3. *Yes--but most people have no idea at all. Common complaint is ' its too much to read' ,in words they dont understand etc.*
4. *No.*
5. *No*
6. *Not possible , as each underwriter uses their own wording.*

Unfair Contract terms

a to g. I dont think any of these are 'unfair', as they are all needed to correctly underwrite/ action a policy.

General Comment

Material disclosure is not understood. Better explanations are needed.

Claims should not be declined if the non disclosure is NOT material.

I would be happy to assist you in any way on Insurance matters , as I am now not in the Industry, having retired a few years ago.

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