

# Case study

## Cover confusion

### Background

The customer and her husband had been paying insurance premiums since 2014 for life insurance and funeral costs. They recently found out that they were actually only covered for accident and funeral costs. This is not what their insurance agent had told them they were covered for, and the couple believed they were misled. They wanted the policies to be cancelled and to receive a refund on the funeral cover paid.

The insurer had considered the complaint through its internal process and referred the customer to Financial Dispute Resolution Service (FDRS) as the matter was unresolved.

### Next steps

FDRS contacted the customer and the insurer. The initial response from the insurer advised no refund was due as the policies had lapsed and were reinstated in 2016. They noted that copies of the policy documents were posted to the customer three times and no complaint was raised until 2021.

Through the information gathering process, further emails were shared between the insurer and customer. FDRS asked the insurer if, given the recent information shared, any further consideration could now be given to the complaint. The insurer agreed to cancel the policies and refund all the premiums paid.

### Outcome

The complaint was settled. The customer and her husband accepted the offer.



*\*Names have been changed to protect our customers' identities*