

The complaint

Miss C and Mr O complain that IMF LTD displayed incorrect and misleading information on its website about their travel insurance policy.

All references to IMF include its appointed representatives.

What happened

Miss C and Mr O bought an annual travel insurance policy online in June 2018. The policy was sold by IMF.

In July 2018, Miss C underwent an emergency operation. Miss C and Mr O looked at the 'FAQ' information available on IMF's website to understand if the operation would be considered a 'pre-existing medical condition'. Based on the information displayed online, Miss C and Mr O didn't think it would. They subsequently travelled abroad and, unfortunately Miss C fell ill. Her claim was declined by her insurer. Another ombudsman made a final decision about the decline of Miss C's claim in March 2020.

Miss C and Mr O also complained about the information displayed on IMF's website. They said the definition of 'pre-existing medical condition' wasn't clear and was subsequently amended by IMF (although IMF initially denied this). Miss C and Mr O said they relied on IMF's incorrect and misleading information and, as a result, their claim was declined.

IMF responded to Miss C and Mr O's complaint, outlining the sales process they'd followed when they bought the policy. IMF said the FAQ information on its website didn't form part of the policy sales process or the policy terms and conditions, and only provided peripheral support. IMF also said the FAQ's were routinely reviewed. It offered Miss C and Mr O £100 compensation as a gesture of goodwill.

As Miss C and Mr O remained unhappy, they brought their complaint about IMF to our service. One of our investigators looked into what had happened but he didn't uphold the complaint. Miss C and Mr O didn't agree with our investigator's findings, so the complaint has been referred to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

IMF is a separate and distinct financial business to the insurer who underwrites this policy, and IMF is regulated by the Financial Conduct Authority in its own right. When making this decision, I can only comment on the regulated activities which IMF is responsible for. Our service has already made a final decision about the insurer's responsibilities in this case (i.e. the decision to decline the claim and the content of the policy wording), and these issues can't be revisited.

I've considered all the detailed submissions which Miss C and Mr O have made, but I don't

intend to address all the points raised, nor am I obliged to. Instead, I'll focus on what I think are the key issues. When making my decision, I've taken into account relevant industry rules and guidance as well as what I consider to have been good industry practice at the time.

Miss C and Mr O are not complaining about the sale of this policy by IMF, so I won't be making any findings on this point. Instead, I've considered what Miss C and Mr O have said about the FAQ information set out on IMF's website relating to pre-existing medical conditions.

I can understand why Miss C and Mr O didn't consider that Miss C's operation would meet this definition as it was originally set out. But I don't think it was reasonable for Miss C and Mr O to rely exclusively on this generic information in deciding whether their policy would provide them with cover.

It was up to Miss C and Mr O to ensure they had a level of cover in place which met their needs and I don't think it's unreasonable to expect a policyholder to refer to their contract documentation (i.e. the terms and conditions of their policy) to establish if they're likely to have cover for a pre-existing medical condition and/or a significant change in health in the first instance. I also don't think it's unreasonable to expect a policyholder to contact their broker (or insurer) to double-check the position regarding important matters such as cover for medical conditions if they have any questions.

So, even if I accept that the FAQ information displayed by IMF could have been clearer, I don't think it would be fair or reasonable in the circumstances to direct IMF to accept liability for the value of Miss C's eventual claim.

I've considered what Miss C and Mr O have said about the subsequent change in the wording set out in the FAQs, but this doesn't change my decision that it's not a foreseeable or proportionate response to any error by IMF in this regard to ask it to do anything further. I'd generally expect a financial business to review its website from time to time – particularly in response to customers' complaints – so I can't fairly conclude that IMF's changes to the wording demonstrate any admission of wrongdoing on its part.

I understand that Miss C and Mr O are also unhappy with how IMF handled their complaint. It's not within my remit to punish or fine a financial business for any failings in its complaint handling processes. Overall, while I'm sorry to disappoint Miss C and Mr O, I'm satisfied that the £100 compensation which IMF has already offered to pay fairly compensates them for the impact of IMF's actions on them.

My final decision

My final decision is that I don't uphold Miss C and Mr O's complaint.

IMF LTD has already offered to pay Miss C and Mr O £100 compensation and I think this offer is fair in all the circumstances. IMF LTD should pay Miss C and Mr O £100 compensation, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C and Mr O to accept or reject my decision before 6 September 2022.

Leah Nagle
Ombudsman