

## SUMMARY REPORT/POINTS BY MICHAEL EARP

- UK General Insurance does not suffer from a proliferation of Bad Faith 'type' situations.
- FSA Ombudsman often finds in favour of insurers which would support above statement.
- UK Regulator plays large part in setting the culture of the sort of insurers who can operate and monitors those insurers regularly.
- Policyholders have existing routes to be able to complain (i.e. FSA Ombudsman).
- The regulator can fine insurers if insurers have acted in bad faith (i.e. Pensions mis-selling).
- In the UK courts interest rates can be awarded on damages **and** costs on an indemnity basis.
- In UK a large percentage of commercial business contracted through Brokers which should provide extra comfort for policyholders.
- Insurers right to full and proper investigation must not be diminished otherwise it could lead to an 'ambush' mentality when presenting claims.
- Introduction of Bad Faith could be 'counter-productive' with resources drawn to this aspect rather than trying to resolve the claim which far more positive for all concerned.
- Contract certainty should remove ambiguity on policy terms which could be a cause for a claim not being dealt with.
- Alternative Dispute Resolution already exists for policyholders - on a without prejudice basis - to have an independent review of a claim due to tardiness or settlement amount during the lifetime of the claim.