



DAMAGE NOT COVERED

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WE CAN HELP!

The Office of the Financial Services Ombudsman (OFSO) provides a legitimate and independent channel through which individuals and small businesses can seek redress with respect to complaints against any bank or insurance company in Trinidad and Tobago. This service is free of charge to the complainant. The OFSO also aims to educate the public about the need to be vigilant in all their financial transactions. As such, the OFSO will be offering tips on banking and insurance and some case studies for lessons learnt.

CASE STUDY:

The complainant’s home was covered under a homeowner’s protection policy when her house was damaged by an earthquake. She stated that she noticed cracks and breakage in the walls close to the roof of her patio and immediately made a report to her insurers. She was directed by them, to someone else, later identified as a loss adjuster who worked for the company, to have the damages reviewed.

Some time after the adjuster visited the premises, the damaged portion of the roof collapsed, causing the complainant to again contact the adjuster who then advised her to proceed with the necessary demolition work. He further advised her to submit an estimate for her costs to demolish and rebuild her patio. The complainant proceeded to repair her home, at her own expense and await reimbursement from her insurers. To her surprise, her claim was denied on the grounds of ‘construction inadequacies tantamount to poor workmanship’.

The insurance company, supported by the report produced by their loss adjuster denied the complainant’s claim on the basis that the damage was due to poor workmanship and this was strictly excluded under the policy. In his report, the adjuster also stated that the porch was added subsequent to the initial construction of the building and perhaps improper fastening of the porch roof, coupled with inadequate support columns were jointly responsible for the collapse.

However, after the intervention of the Ombudsman’s office and considering the long relationship with the customer, the company offered an ex-gratia payment. This recommendation was then reviewed by an independent investigator appointed by the Ombudsman office who concurred that the calculation of the settlement was accurate and that the complainant should be advised to accept same. The complainant however, declined to accept same and the OFSO closed their files on the matter.



LESSON TO BE LEARNT FROM THE CASE:

Any additions to your building should be brought to the attention of the insurer to have same covered by way of an endorsement on the policy.