



## Poor consumer outcomes for direct insurance

### Accessing Life Insurance without advice is detrimental to most consumers because:

- No “client’s best interest” duty on insurer.
- Limited legal obligation to stand behind the product the insurer offers.
- No statement of advice.
- No adviser advocate to design an insurance portfolio tailored to the consumer’s (or their family’s) needs.
- No adviser advocate to ensure the products are appropriate for the client.
- No adviser advocate to ensure the applications are completed correctly and thoroughly.
- No adviser advocate with a legal obligation to ensure client is fully aware of their disclosure obligations.
- No adviser support at claim.
- Applications often not underwritten leaving more room for insurer discretion at time of claim.
- If underwritten - there may be less commercial terms offered in underwriting.
- No commission disclosure.
- Premiums may not necessarily be cheaper than retail policies (adviser advocates often source the most cost-effective product at no extra charge).
- Underwriting at claim time often means more claims are declined through supposed “non-disclosure.”