

Holiday time

With the current economic uncertainty, many new graduates and young professionals are making the decision to defer going into the job market straight away. You might be considering taking time out to explore the world, work for a charitable organisation or get some work experience in a foreign country. Whether you plan to hike along the Inca trail or help build a school in Africa, knowing that you have travel insurance in place can make your trip of a lifetime much less stressful.

If you are working to a tight budget, it's tempting to make savings when planning your trip. And insurance might not be at the top of your list of priorities – as you're not planning for things to go wrong. But when you are far away from home a good insurance policy might be just the reassurance you need.

Travel insurance can provide cover for a wide range of things - subject to the particular policy's limits and exclusions. Sold either on a single-trip or annual multi-trip basis, travel insurance policies vary significantly, in terms of both price and cover. So check that your policy meets your needs, rather than automatically going for the cheapest policy. An annual travel insurance policy can be the most cost-effective option for frequent travellers. But, if you are going away for an extended period it might be worth checking the policy terms – many policies have a limit on the number of days you can go away for at any one time.

It's often a good idea to have insurance in place from the day you book your travel. An important part of travel insurance is the cover it provides you in the lead-up to going away. So if you break your leg before you set off cycling around Asia, you can at least be comforted by the thought of having the cash to re-book

when you're back on your feet!

Every year the Financial Ombudsman Service – the free service set up by law to settle complaints between consumers and financial firms – deals with around 2,000 travel insurance complaints.

Travel insurance disputes referred to the ombudsman often centre on whether a particular event is covered by the insurance policy and whether relevant information was 'disclosed' to the insurance company before the policy was taken out. When you purchase your policy, try to answer the insurance company's questions in as much detail as you can. If you're unsure what the policy will cover you for, ask the insurance company to explain.

If you are planning on taking part in any 'white-knuckle' activities, while abroad check your insurance policy to see what you are covered for. Some activities that you may think are fairly standard – such as bungee jumping or quad-biking – might not be covered.

If you do need to make an insurance claim, you should find that your insurance company is able to deal with things quickly and efficiently. But if things don't go smoothly, and you're unhappy with the way your insurance company has handled things, the Financial Ombudsman Service may be able to help. To find out more about the ombudsman and its work in settling financial complaints: www.financial-ombudsman.org.uk

Wherever you decide to go... enjoy your trip!



Case study

Paul Neal was sitting on a bench at a subway station in New York when the person next to him started up a conversation. Paul was quite suspicious to find such a friendly stranger in the Big Apple. He looked down to discover that his rucksack – containing more than £2,000 of personal possessions – had been taken.

Paul made a claim on his insurance policy but was told that his claim would not be paid as he had left his bag "unattended". Paul wasn't happy and brought his complaint to the ombudsman service. The ombudsman looked into what had happened and decided the bag had not been "unattended" as Paul was next to it at the time the bag was taken. The ombudsman told the insurance company to pay the claim in full.



Financial
Ombudsman
Service

www.financial-ombudsman.org.uk

0845 080 1800