

The complaint

Mr P has complained that Assurant General Insurance Limited (Assurant) has rejected his claim under his Gadget Insurance policy when his laptop computer was damaged.

References I make to Assurant include its claims handling agents.

I've previously issued a provisional decision in this case. I received further comments from Assurant which I'll refer to below.

What happened

For some years Mr P has had an insurance policy with Assurant that covered him for loss and damage to his various devices including his laptop computer.

Mr P's laptop suffered some water damage on or around 28 February 2021, so he first contacted the manufacturer on that date. At 10:08 am the next day, 1 March, he contacted Assurant. He wanted to know if his laptop was insured. Assurant had no record of this particular device having been registered with it, so Mr P registered it.

Mr P contacted Assurant again at 13:01pm on 1 March to make a claim for liquid damage. He told Assurant that the damage had occurred that day. His claim was referred to a higher assessment team as the claim had been raised within the first 14 days of the policy's inception for that device.

Assurant contacted Mr P about his claim on 8 March. It asked Mr P if he'd had any previous problems with his laptop, and he replied that he hadn't. He said that the device started having issues on 1 March 2021, that he hadn't had any issues with the device before this date and hadn't reported any issues to the manufacturer before this date either. When asked if he'd contacted Assurant before or after the damage occurred on 1 March, Mr P said he couldn't remember.

Assurant contacted the manufacturer who confirmed that Mr P's device was reported to them with liquid damage on 28 February 2021. Mr P's policy states that it only covers gadgets that have previously been registered with it. Assurant told Mr P that as this laptop was only registered with it on 1 March 2021, so after damage to it had been reported to the manufacturer, it wasn't insured.

Assurant then discovered that its records were incorrect, and that Mr P had in fact registered this laptop on 28 August 2017, so it was insured from that date. It acknowledged its error and paid Mr P £50 compensation for the inconvenience caused.

However Assurant continued to reject Mr P's claim because he'd told it that there were no faults or issues with his laptop before 1 March, and on 1 March, when registering the laptop, Mr P had confirmed that it was in full working order. It says this wasn't correct as Mr P had contacted the manufacturer about the water damage on 28 February. Assurant relies on a term of Mr P's policy which states:

“If false or inaccurate information is provided and fraud is identified then we will
• Not honour the claim”

Mr P had his laptop repaired by the manufacturer at a cost of £338.38. He wants Assurant to refund this to him.

As Mr P didn't agree with Assurant's rejection of his claim, he brought his complaint to this service. Our investigator didn't consider that Assurant had acted unfairly as Mr P had provided false or inaccurate information about the date when the damage to his laptop occurred. In his view, Assurant was therefore acting in line with the terms of the policy.

Mr P doesn't agree with our investigator's view, and he's asked that his complaint be referred to an ombudsman for a final decision.

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.

I'm upholding Mr P's complaint and I'll explain why.

I think it's clear that Mr P gave incorrect information to Assurant on both 1 March, when he registered his laptop and confirmed it was in full working order, and again on 8 March when he told Assurant that the damage had occurred on 1 March, when the manufacturer had confirmed that he'd contacted it the previous day about a fault.

If that were the only information, I consider that Assurant would be entitled to reject the claim on two grounds. Firstly, the damage pre-dated the laptop's registration under the policy, so it wasn't insured as at the date of the damage. Secondly, Mr P had given false information in order to have a claim met when it wouldn't have been met if correct information had been given.

However it is relevant that Mr P's laptop was in fact covered at the time of the damage as it had been registered on 25 November 2019 although Assurant had originally not found its record of this. Assurant's first ground for rejecting Mr P's claim therefore no longer applies.

And it's my view that the second ground also no longer applies because the misinformation Mr P provided doesn't affect whether the claim should be paid. It hasn't been suggested that Mr P's claim was a false or exaggerated claim. His laptop was damaged, as evidenced by the invoice from the manufacturer for its repair. In providing misinformation as to the date the damage occurred, Mr P wasn't acting fraudulently in seeking to claim something he wasn't entitled to, or more than he was entitled to. His laptop was covered by the policy as at the date the damage occurred, and any subsequent lack of honesty doesn't in my view entitle Assurant to reject his claim on this ground. The approach I'm taking here is consistent with the Supreme Court's ruling concerning a claim that was neither fictitious nor exaggerated but nevertheless had a falsehood attached to it.

In response to my provisional decision, Assurant referred to a policy term which states:

“We rely on the information you provide to us either online, over the phone or in writing to make decisions about your insurance and any claim. If you do not answer accurately and completely any questions we ask, we might invalidate your insurance and/or we might reject your claim.
It is important that when applying for insurance, or submitting a claim you or anyone acting on your behalf must take reasonable care to answer all questions honestly and

to the best of your knowledge. Failure to do so may affect the validity of your policy or the payment of your claim”.

It argued that Mr P had provided false and misleading information and that therefore his claim was correctly declined.

Having considered this term, my view is that it isn't inconsistent with the approach I'm taking. It states only that if false information is provided it *might* invalidate a claim. So for example, false information about the extent of any loss claimed for would entitle Assurant to avoid a claim. But, following the Supreme Court decision I've referred to, false information might not go to the heart of a claim. I believe that is the case here.

Assurant also referred to another claim that Mr P had submitted in June 2021 for this device. My decision only deals with the claim made in March 2021.

I'm therefore upholding Mr P's complaint and requiring Assurant to settle the claim he made in March 2021 subject to the other terms and limitations of the policy.

My final decision

For the reasons I've given above, I'm upholding Mr P's complaint.

I require Assurant General Insurance Limited to settle the claim Mr P made in March 2021 subject to the other terms and limitations of the policy including any applicable excess.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 October 2021.

Nigel Bremner
Ombudsman