

## **The complaint**

Mr D and Mr R complain that AXA Insurance UK Plc has unfairly declined their travel insurance claim.

## **What happened**

Mr D and Mr R have travel insurance as a benefit with their bank account. This insurance is provided by AXA.

In June 2021, Mr D and Mr R took a trip abroad. During their trip, some items were stolen from the boot of their hire car when they were at the beach. The items taken included watches, passports, sunglasses, and an amount of cash, amongst other things. They reported the matter to the local police and had to obtain emergency passports to return home. They made a claim to AXA for the stolen items.

AXA rejected the claim. It said the policy didn't provide cover for the theft of valuables left unattended unless in a hotel safe, safety deposit box or in locked accommodation. As watches are defined as valuables under the policy, AXA said they wouldn't be covered. It also said that the policy didn't cover personal money and travel documents left unattended at any time unless in a hotel safe, safety deposit box or in the locked accommodation. So, the items such as cash and passports wouldn't be covered either.

Unhappy with this response, Mr D and Mr R complained to AXA and brought their complaint to this service. Our investigator looked into the matter and found that the policy didn't provide cover for the items defined as valuables or personal money and travel documents if stolen from an unattended vehicle. So, she didn't think AXA had acted unfairly in declining these parts of the claim. However, she noted that in the submission to our offices, AXA had recognised that sunglasses are not defined as a valuable and so it would reconsider the claim for this item. She also said that a polo shirt claimed hadn't been considered – she recommended that AXA consider this item too.

Mr D and Mr R disagreed with our investigator's opinion. As no agreement could be reached, the matter has been passed to me to decide.

## **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.

It's clear that Mr D and Mr R have strong feelings about this matter, and they have provided detailed submissions to support their complaint, which I have read and considered. But it is important to point out that we're an informal dispute resolution service, set up as a free alternative to the courts for consumers. In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue or point made in turn. This isn't intended as a discourtesy to Mr D and Mr R. Rather it reflects the informal nature of our service, its remit and my role in it.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of this complaint.

#### *The relevant policy terms and conditions*

The claim falls under two sections of the policy. The first, *section E – baggage and baggage delay*, covers personal items. The relevant exclusions to this section state:

##### *What is not covered*

2. Loss, theft of or damage to **Valuables** left Unattended at any time (including in a vehicle or in the custody of carriers) unless deposited in a hotel safe, safety deposit box or left in Your locked accommodation.

3. Loss, theft of or damage to Baggage contained in an Unattended vehicle unless:

- a. the items are locked out of sight in a Secure Baggage Area;
- b. forcible and violent means have been used by an unauthorised person to effect entry into the vehicle;
- c. evidence of such entry is available.

Valuables are defined under the policy as:

*jewellery, gold, silver, precious metal or precious or semiprecious stone articles, watches, furs, cameras, camcorders, portable satellite navigation systems, photographic, audio, video, computer, television and telecommunications equipment and other electronic entertainment devices (including but not limited to mobile phones, MP3 or 4 players, tablets, ebooks, CD's, DVD's, tapes, films, cassettes, cartridges and headphones), computer games and associated equipment, telescopes and binoculars.*

The second section is *section F – Personal money and travel documents*. This states it provides the following cover:

*We will pay You up to the £500 (with a maximum of £300 for bank notes, currency notes, and coins) for the accidental loss of, theft of or damage to **Personal Money and Travel Documents** (including driving licence) ...*

The relevant exclusion under this section states the following:

##### *What is not covered*

2. Loss, theft of or damage to **Personal Money and Travel Documents** left Unattended at any time (including in a vehicle or in the custody of carriers) unless deposited in a hotel safe, safety deposit box or left in Your locked accommodation.

#### *Has the claim been declined fairly?*

Mr D and Mr R left their belongings in the boot of their hire car whilst at the beach. The window was smashed in order to gain entry. Mr D and Mr R have provided photographic evidence of the damage. Based on the policy terms above, I'm persuaded that there is cover for the theft of baggage in these circumstances. However, there are certain items within this section, defined as valuables, which are not covered if left in an unattended vehicle. And there is a similar exclusion under the personal money and travel documents section. The

definition of personal money and travel documents includes passports. So, I'm satisfied that the claim for the watches, cash, passports and driving licences are not covered.

I appreciate that Mr D and Mr R have explained why they had these items with them and why they made the decision to leave them in the vehicle. However, insurers are entitled to decide what risks they will accept. And not every eventuality will be covered. The events an insurer will and won't cover just need to be clearly set out in the terms and conditions of the policy. I'm satisfied that AXA has clearly set out what it will cover in relation to a claim for a theft from an unattended vehicle within the policy terms.

The restrictions detailed in the policy wording in relation to the types of items covered in this scenario are not significant or unusual. In fact, the majority of travel insurance policies will contain similar, if not the same, conditions and exclusions on such thefts from a vehicle. So, I don't think these particular exclusions needed to be specifically brought to Mr C and Mr R's attention. However, I note that the exclusions are not only in the main body of the policy terms and conditions but are also referred to in the Key Facts – which is a summary of the cover available. I'm therefore persuaded that AXA has done enough to make these exclusions clear.

Taking all of this into account, I'm satisfied that AXA has acted fairly and in accordance with the policy terms when declining the claim for the personal money and travel documents and those items listed as valuables.

However, as explained by our investigator, there are items that Mr D and Mr R have said were taken in the theft which do not fall under the definition of valuables. AXA needs to reconsider the claim for these items in line with the remaining terms of the policy wording.

### **Putting things right**

AXA needs to reconsider the claim for items claimed that are not included in the valuables definition, namely the polo shirt and sunglasses, in line with the remaining policy terms and conditions.

### **My final decision**

For the reasons detailed above, I'm partially upholding this complaint.

AXA Insurance UK Plc needs to put things right as explained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mr R to accept or reject my decision before 29 September 2022.

Jenny Giles  
**Ombudsman**