

Complaint summary and background

Mrs W is unhappy Amtrust Europe Limited is refusing to meet a claim for damage under a sofa warranty policy.

Mrs W's pet was accidentally left out of its cage, and it caused damage to her sofas and their recliner cables.

Amtrust said the damage wouldn't be covered as it did not happen in one incident and that damage caused by pets is excluded by the policy. Amtrust has cited the following policy exclusion when declining the claim.

"Damage caused by pets biting or chewing the item and any scratching which is not limited to a single incident".

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.

Having done so, I agree with the conclusion reached by the investigator that the complaint should be upheld. I do so for the following reasons:

- Policy documents should be clear and unambiguous in their meaning. I don't believe the above term is explicitly clear as to what is excluded as it could be interpreted in different ways. Amtrust has interpreted it to mean that any damage caused by biting or chewing is excluded, but one scratch would be covered.
- However, the use of the word 'and' in this sentence brings into question whether this is the correct interpretation. And is a joining word, which arguably means the condition '*not limited to a single incident*' would also apply to the first part of the sentence. So, the term could also be interpreted as any biting, chewing or scratching, not limited to a single incident, would not be covered.
- Amtrust initially argued that the damage overall wasn't caused in a single incident, as the animal had damaged different items in individual actions. However, it later agreed the action of the animal being left out could be classed as a single incident. For the avoidance of doubt, I agree here that it is the action of the animal being left out which should be considered as the incident.
- As the term is ambiguous, it is usual for it to be interpreted in favour of the consumer. As insurer's should be clear in what cover they are willing, or as in this instance, not willing to provide. So in this instance it would mean the damage Mrs W is claiming for would be covered as it happened in a single incident.
- The only damage I think Amtrust would not need to cover is the damage to the recliner cables. This would be otherwise be excluded under the policy as it relates to electronic equipment.

For the reasons above, I do not think Amtrust has fairly declined the claim and I uphold Mrs W's complaint.

Putting things right

To put things right Amtrust should now deal with the damage claimed for, except the recliner cables. It should arrange for any repair, replacement, or settlement to be made in line with the policy terms.

My final decision

My final decision is that I uphold Mrs W's complaint against Amtrust Europe Limited. I direct it to put matters right as I have set out in the section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 28 December 2022.

Alison Gore
Ombudsman