

The complaint

Mr A complains Assurant General Insurance Limited (“Assurant”) declined his mobile phone insurance claim.

All references to Assurant include its agents.

What happened

Mr A had gadget insurance policy with Assurant through his bank. In November 2022 Mr A made a claim for his mobile phone on the policy.

Mr A told Assurant he put his phone in his bag with his laptop and his tablet and he placed the bag in the boot of his car. He says he parked outside his place of work for a few minutes and when he returned his bag was gone.

Mr A says he locked his vehicle with the remote fob before going into his workplace and was only gone for approximately five minutes. When he returned to his vehicle the boot had been broken into and the bag with his phone in it was gone. Mr A says he noted some scratches on the lock of the boot.

Mr A reported the incident to the police. And he contacted his insurer and provided it with the crime reference number and details of the incident. In that same call Mr A was told his claim had been declined and he would receive a letter explaining why within a few days.

Mr A wasn't happy with Assurant's decision to decline the claim and so he made a complaint.

Assurant said in the call where Mr A reported the incident he said he left the phone in his bag in the back of the car and had gone into work. Assurant said Mr A told the telephone operative that he wasn't sure if he locked the car with the remote key fob. He also noticed the boot lock had scratches on it. Assurant said it didn't think the scratches were related to the incident. Assurant said its policy doesn't cover circumstances where care hasn't been taken of the device. And so it said the claim was correctly declined and the complaint wasn't upheld.

Mr A didn't agree and so he referred his complaint to this service. Our investigator looked into things for him. He said based on the information provided he thought Assurant had acted unfairly by declining the claim. He said Mr A hadn't acted recklessly and his testimony has remained consistent in that he locked the car. And so he recommended the complaint be upheld and Assurant assess the claim in line with the remaining policy terms and conditions.

Assurant said in the initial call to report the incident Mr A said he thought he locked the car but since the car was unlocked when he returned to it he wasn't sure. It said the first version of events a customer provides when logging a claim is most likely to be correct, and so Assurant believe Mr A didn't lock his car and therefore didn't take care of his items. Assurant also said Mr A had failed to prove that an insured event occurred.

Because Assurant didn't agree the complaint has come 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.

Based on what I've seen I am upholding Mr A's complaint. I'll explain why.

The relevant industry rules require insurers to handle a claim promptly and fairly. And they shouldn't unreasonably reject a claim.

Assurant has relied on the following term to decline the claim;

"We will always take into account where you are and what you are doing when we assess whether you have taken care of your phone. If we believe you have not taken care of your mobile phone, and have knowingly taken a risk with it, we may decline your claim."

The policy defines 'taking care' of your mobile as, *"Not knowingly leaving your mobile phone somewhere it is likely to be lost, stolen or damaged, just think would you leave your wallet or purse there?"*

If you need to leave your mobile phone somewhere then we expect you to lock it away out of sight if at all possible."

Assurant has said Mr A hasn't taken care of his phone. But he has locked it away out of sight in his boot which is what the policy says it expects. I haven't seen anything which persuades me Mr A has behaved in a way that means he has not taken care of his phone, or knowingly taken a risk with it, using Assurant's definition of 'taking care.'

While Assurant isn't directly accusing Mr A of fraud, it does appear to be relying on a fraud exclusion within its policy terms.

Assurant says the reason it declined Mr A's claim was because he gave two conflicting accounts about whether he locked his car. I have carefully considered what Mr A told Assurant about the incident and listened to both calls.

When Mr A called to report the theft he was asked whether he locked the car. Mr A says he locked the car using the fob and isn't sure how the car came to be unlocked when he returned.

In a subsequent call Assurant spoke to Mr A again and he said the bag was in the boot and he had locked the car. So I'm satisfied Mr A's account of the incident remained consistent.

Assurant says there was no damage to the boot so it can't understand how a thief has managed to gain access to the boot without causing any damage to the vehicle. Assurant believes it's more likely the car was left unlocked. But I haven't seen any evidence to support this, and I don't think it's fair to expect Mr A to explain how the theft occurred.

I'm satisfied Mr A has provided Assurant with enough information to support his claim. I think his account of what happened has been consistent. So I don't think it was reasonable for Assurant to reject Mr A's claim.

Putting things right

I direct Assurant to reconsider Mr A's claim under the remaining terms of the policy. It declined Mr A's claim because it said he failed to take care of his phone as per the terms of the policy. I decided that it wasn't fair to do so and that means Assurant can't rely on this same reason to decline Mr A's claim. It must reconsider the claim under the remaining policy terms.

My final decision

For the reasons I've explained above I uphold Mr A's complaint and Assurant General Insurance Limited must;

- Consider Mr A's claim under the remaining terms and conditions of the policy

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 March 2023.

Kiran Clair
Ombudsman