

The complaint

Mr H has complained about how Fortegra Europe Insurance Company Ltd (Fortegra) dealt with a claim under a kitchen appliance warranty.

What happened

Mr H made a claim for a cooker hood under a warranty he had taken out with Fortegra. Fortegra agreed to replace the hood but said Mr H needed to pay the rest of the premiums for the year before it would settle the claim, as he paid in monthly instalments.

Mr H complained to Fortegra because he said the policy terms didn't say he would need to pay the remainder of the premiums for the year if he made a claim. When Fortegra replied, it said Mr H would need to pay the money for the claim to be settled.

When Mr H complained to this service, our investigator upheld the complaint. She said the policy terms didn't say the rest of the premiums were payable. So, she said it wasn't reasonable for Fortegra to require them to be paid. The policy wording also didn't say the policy needed to end after a claim was made. She said Fortegra either needed to put the policy and direct debit back in place or to cancel it and refund any premiums Mr H paid during the period of his complaint.

Following our investigator issuing her findings, Fortegra provided some documents related to the claim, but didn't say whether it accepted what the investigator said. So, the complaint was referred to me.

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've read the policy terms and conditions. These didn't say that the full premium would be payable if a claim was made. So, I don't think it was fair that Fortegra told Mr H he needed to pay this for it to replace the cooker hood.

It's my understanding Mr H might now have paid the full premium. I'm aware that if he did so, it was because he needed the hood to be replaced, and it wasn't because he agreed with Fortegra's position on paying the full premium.

I wrote to both Fortegra and Mr H to tell them I intended to uphold the complaint but that, due to the expiry date of the policy, I intended to require Fortegra to take different action to our investigator to resolve the complaint. I said both parties had 14 days in which to provide any comments. Neither Fortegra or Mr H replied.

Having thought about this complaint, I uphold it because the policy didn't say the remainder of the premium was payable if a claim was made. Fortegra's requirement for Mr H to pay the premium in full also suggests that the policy ceased at the point he successfully made his claim. As a result, I require Fortegra to refund any premium Mr H paid after he made the

claim to get his claim settled and to refund any direct debit payments Mr H paid for the policy after he made his complaint. There doesn't now seem to be an option to reinstate the policy for the remainder of the period, as the policy has now expired.

I'm aware Mr H was also concerned by damage to his ceiling while his complaint was ongoing. However, I don't require Fortegra to deal with this because Mr H could have paid the premium to allow the claim to progress while he also complained about Fortegra telling him he needed to pay it.

Putting things right

Fortegra should refund any premiums Mr H paid in relation to this policy after he made his complaint. That includes any payment Mr H made after he raised the claim in order to get the claim settled and any policy premiums paid by direct debit.

My final decision

For the reasons I have given, it is my final decision that this complaint is upheld. I require Fortegra Europe Insurance Company Ltd to refund to Mr H:

- any premium he paid after he made the claim in order to get his claim settled.
- any policy premiums he paid by direct debit from the point at which he made his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 September 2023.

Louise O'Sullivan
Ombudsman