

The complaint

The estate of Mr P's complaint is about a claim it made on the late Mr P's Amtrust Europe Limited ('Amtrust') legal expenses insurance policy, which Amtrust declined.

The estate of Mr P says that Amtrust were wrong to decline the claim and that they should now provide cover for it.

The complaint is brought by Mrs B on behalf of the estate of Mr P.

All references to Amtrust in this decision include their claims handlers.

What happened

The estate of Mr P made a claim on the late Mr P's legal expenses insurance policy for cover to bring a claim against his former firm of Solicitors.

The late Mr P had instructed the firm to act for him in the conveyance of his property and provide him with tax advice.

Amtrust declined the claim. They said the claim was for professional negligence in respect of financial advice and that's not something that's covered by the policy.

Our investigator considered the complaint and also concluded it shouldn't be upheld. She said the service the late Mr P's Solicitors were contracted for didn't fall under the sections of cover within the policy and therefore weren't capable of cover.

The estate of Mr P didn't agree, so the matter has been passed to me to determine.

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 don't uphold the estate of Mr P's complaint. I'll explain why.

The starting point is the policy terms. They cover a number of situations including death, personal injury, medical negligence, contract disputes, protection of property, employment claims, employee defence, jury service, probate, social media defamation and personal identity fraud.

The policy also sets out that it will only extend to covering claims for professional negligence of any Solicitor or firm acting on the policyholder's behalf where the original matter for which they were instructed is covered by the policy.

So, I've gone on to thinking about whether the original matter Mr P contracted for was covered by the policy. The contracts section of the policy covers:

"a) Legal costs for defending or pursuing a legal claim arising from a dispute over:

- *You buying, hiring or leasing any personal goods or services,*
- *You selling any personal goods; or*
- *You buying or selling your property.”*

The claim that the estate of Mr P wishes to bring is in professional negligence for advice given in respect of inheritance tax and the provision of conveyancing services for the late Mr P's property. This doesn't fall within the contract section of cover because there was no dispute at the time for which the late Mr P was looking for funding. As such this section of cover wouldn't engage. And looking at the other sections of cover, I can't see that the policy would have provided the late Mr P with funding to engage the services of his Solicitors to provide him with inheritance tax advice and conveyancing services.

I appreciate what Mrs B has said about the contracts section of cover extending to the claim for professional negligence itself, but that can't be read on a standalone basis because the policy says:

“We do not cover the following:

1. Legal costs for a legal claim arising from...

t. professional negligence of any solicitor, lawyer or appropriately qualified person, firm or company acting on your behalf where the original matter, for which they were instructed is not covered under this policy.”

In this case, I'm in no doubt that the original matter for which the Solicitors were instructed was not one that would attract cover under the policy, so I don't think Amtrust did anything wrong by declining this claim.

My final decision

For the reasons set out above, I don't uphold the estate of Mr P's complaint against Amtrust Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr P to accept or reject my decision before 23 February 2024.

Lale Hussein-Venn
Ombudsman