

## **The complaint**

Miss M and Mr M are unhappy that Accredited Insurance (Europe) Limited (AIL) declined their claim for the accidental loss of jewellery.

The buildings and contents policy was underwritten by AIL and held in joint names. For ease of reading, and because she made the claim, I'll refer to Miss M throughout.

## **What happened**

In summary, Miss M lost a ring which was of sentimental value to her. She'd been wearing the ring and noticed it was missing when she returned home from her day-to-day activities. After searching for the ring, she made a claim under her policy using the online service.

AIL declined the claim because Miss M hadn't specified it for cover under her policy and it exceeded the maximum value for a single item. AIL said the policy didn't provide cover at all for unspecified items which exceeded £2,000.

Miss M didn't think AIL had given her claim proper consideration, so she complained. She said AIL should at least cover part of the ring's value, or she'd pay the additional premium it would've charged to have the claim reconsidered.

AIL didn't change its decision and it issued a final response to Miss M's complaint.

I issued a provisional decision in January 2024 explaining that I was intending to not uphold Miss M's complaint. Here's what I said:

### ***provisional findings***

*The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. My role, here, is to decide whether AIL declined Miss M's claim reasonably for the reasons it gave, in line with the policy, and whether it was fair to do so in the circumstances. I will also consider whether AIL handled the claim within a reasonable timeframe.*

*Miss M made her claim on 7 October. AIL declined the claim and issued its final response to her complaint on 25 October. During that time it asked Miss M for evidence of the ring's value, referred the valuation to its jewellery specialist, and referred the claim to the underwriters. As this all took place over a matter of just over two weeks, I can't reasonably say AIL delayed handling the claim. Therefore, the evidence persuades me that AIL handled the claim promptly in line with the regulator's rules.*

*Moving on, I've thought about whether AIL's decision was fair. AIL declined Miss M's claim because the ring's value at the time of loss was in excess of £5,000. It was valued at over £2,000 some 14 years earlier. The policy states the following:*

*We will cover loss...to personal possessions...up to the sum insured shown in your schedule.*

*The personal possessions section can include an amount of cover for unspecified items such as...valuables which are individually worth £2,000 or less.*

*You will need to specify any...valuables that are individually worth £2,001 or more. If you have not specified these items they will not be insured.*

*Personal possessions are defined as:*

*Contents which you or your family take outside of your property and are mainly used for private purposes.*

*Contents are defined as:*

*All of your... belongings...including valuables*

*Based on the terms and conditions set out in the documents, I'm satisfied that AIL declined the claim in line with the policy. That's because Miss M didn't specify the ring in the policy, the policy didn't provide cover for unspecified items over £2,000, and the ring was valued in excess of that.*

*While I think AIL declined the claim in line with the policy, I've also thought about whether it was fair in the circumstances. Miss M explained that she'd only had the ring for just over a year when she lost it, and the valuation from 14 years earlier was only made available to her after she lost the ring. Therefore, she didn't know the value of the ring and at the time it was given to her she didn't think about the value. I have no reason to doubt anything Miss M said here.*

*However, Miss M already owned the ring when she bought the policy as new just under three months before she lost it. Given the importance of it to her, I think it would've been reasonable for Miss M to check the value when she was completing the policy purchase to ensure she was covered for all her belongings. And I don't think it was unreasonable that AIL expected her to specify the ring in the policy when she first took out cover.*

*For these reasons, I can't say that AIL unfairly declined Miss M's claim in the circumstances.*

*I'm sorry that Miss M experienced this distressing loss of a sentimental piece of jewellery. But, the evidence suggests AIL has handled her claim promptly, in line with the terms and conditions of the policy, and fairly and reasonably in the circumstances. I see no reason to uphold Miss M's complaint.*

*I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.*

## **responses**

*AIL agreed with my provisional decision.*

*Miss M didn't agree. She said she didn't know the true value of the ring so she had no reason to, nor could she, specify it on the policy. Miss M also said AIL declined the claim before she provided any information, which doesn't seem right.*

## **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 reconsidered the evidence alongside Miss M's response, I've decided not to uphold her complaint.

I won't repeat the details I've already given. Instead, I'll explain why my decision remains the same despite considering Miss M's further comments.

Miss M said AIL declined her claim before she'd provided all the information relevant to the loss. I understand she provided further information after AIL's decision, but I can't agree that it unfairly declined her claim. That's because AIL did have the valuation showing the ring was worth more than the single unspecified item limit before it declined the claim. So I'm satisfied it had enough information to know that the policy didn't provide cover.

Miss M has said throughout her complaint that she didn't know the true value of the ring, and it was the last thing on her mind when she inherited it. I have no reason to doubt that. However, the policy is the contract between Miss M and AIL, so I must take into consideration the terms and conditions, and the information Miss M did or didn't provide when she took out the policy.

The policy underwritten by AIL started more than a year after Miss M received the ring. So, when AIL issued the policy documents, and asked whether Miss M had any valuables worth more than £2,000, it's reasonable to think she might've checked the value at that point. To be clear, I'm not trying to place a time limit on her distress regarding the circumstances of receiving the ring. But I can't fairly ask AIL to pay the claim when Miss M didn't seek cover for the ring on the second occasion of taking out insurance since she inherited it.

I've noted what Miss M said about AIL providing different policy wording and the location of relevant information within the documents. Miss M provided two copies of her policy wording – one for the year of loss and one from the previous year, issued by a different underwriter. Therefore, I don't think AIL changed its wording to suit its decision. In respect of key information, I note that Miss M's schedule shows the cover she had and confirms she was not covered for unspecified items valued at over £2,000. AIL also asked her to correct any information she'd given which may not adequately cover her contents, but there's no evidence she made any changes. The schedule is a four-page document setting out the limits of cover specifically for Miss M, so I can't say that AIL failed to provide the relevant information in a clear way.

Miss M said the ring had never been valued at £5,000. AIL submitted its jeweller's report in its case file. The report confirmed Miss M's 2008 valuation and gave an up-to-date valuation of £5,500. Regardless of the actual value, it exceeded the policy limit, so AIL fairly declined the claim in line with the relevant terms and conditions.

Finally, Miss M said AIL didn't renew her policy due to her careless misrepresentation. As the renewal came after AIL issued Miss M with its final response letter, and after she brought her complaint to this service, it's not something I can comment on here. Miss M will first need to give AIL an opportunity to respond to this element of complaint.

Again, I'm sorry to hear that Miss M experienced such a distressing loss of a sentimental item. And I understand that even if the policy provided cover, it wouldn't replace what she'd lost. But, having considered everything available to me, I haven't seen any evidence that AIL unfairly declined Miss M's claim.

**My final decision**

For the reasons I've explained above, and in my provisional decision, my final decision is that I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M and Mr M to accept or reject my decision before 7 March 2024.

Debra Vaughan  
**Ombudsman**