

## **The complaint**

Mrs G is unhappy Great Lakes Insurance SE declined her claim for a stolen watch under her gadget insurance policy.

Where I refer to Great Lakes, this includes the actions of its agents and claims handlers for which it takes responsibility.

## **What happened**

Mrs G purchased gadget insurance in September 2022 which covered her watch for accidental damage, loss, and theft. In July 2023, whilst on the beach, Mrs G went for a swim. She put her watch in her bag and left it on a towel. The bag was stolen with her watch inside. She reported the theft to the police and made a claim under her policy.

Great Lakes asked for further clarity on the circumstances leading to the theft. Mrs G explained that her friend was sat on the beach next to her bag that contained her watch. Great Lakes declined the claim on the basis that Mrs G had left her watch unattended which was a breach of the policy terms.

Mrs G further explained that the watch wasn't unattended, as her friend was there. Great Lakes maintained their decision to decline the claim, they said the incident description and the police report didn't mention her friend and they find these reports would be most accurate as they were submitted nearer the time of the incident. Remaining unhappy Mrs G brought her complaint to this service.

Mrs G has told us that she has autism, which can affect her understanding of what's being asked of her and she can take things as literal. So when the police report asked if there were any witnesses, she didn't mention her friend because she hadn't seen the theft take place – the bag was taken without her friend realising – so she hadn't witnessed what happened.

Our investigator was satisfied with Mrs G's testimony that the watch wasn't left unattended. She didn't think it was fair for Great Lakes to decline the claim and recommended that they reconsider the claim under the remaining policy terms.

In response, Great Lakes told us it would still decline the claim and referred back to the original exclusion and said Mrs G had left her watch in a bag and she left the bag knowingly where she couldn't see it but others could. They also said had they considered the presence of Mrs G's friend they would still decline it on the basis the watch hadn't been left with an immediate family member which was a requirement of the policy.

In January 2024 I issued a provisional decision which said:

*Great Lakes have a responsibility to handle claims promptly and fairly and they shouldn't decline a claim unreasonably.*

*In declining the claim Great Lakes said Mrs G had left her watch unattended and her claim doesn't meet the policy criteria. They also referred to the exclusion in the policy terms and*

conditions which says:

*"We will not pay for:*

*any claim where you knowingly leave your gadget somewhere where you can't see it, but others can and it is at risk of being lost, stolen or damaged. For example - in a restaurant or a pub where you go to the toilet or bar leaving your gadget on a table instead of taking it with you."*

*Mrs G didn't say she couldn't see the bag, from the information I've reviewed she explained she left her watch in her bag and left her bag with her friend whilst she went for a swim. She also explained that she was approx. 5 meters from both her friend and the bag and could see them both.*

*Great Lakes also expressed concern that the incident description on the claim form and police report didn't include the presence of a friend or third party so they hadn't included it with their findings. But had they included it they would've referenced the following exclusion:*

*"We will not pay for:*

*Any claim where you have failed to take reasonable precautions to prevent damage, theft or loss. This will include, but not limited to not handing your gadget to a person who is not known to you or a third party, other than your immediate family."*

*Mrs G has explained she left her bag, which contained her watch, with a trusted friend. Whilst I recognise this isn't immediate family, I think leaving her belongings with her friend, someone that was known to her for 24 years, wasn't irresponsible or unreasonable. As such, I'm satisfied she had taken reasonable precautions in the circumstances and had sight of her friend and her bag whilst she was swimming.*

*I understand why Great Lakes had concern around the level of detail provided to the police given the further information Mrs G provided to them. Mrs G has explained that her autism means she sometimes misunderstands what is being asked of her and takes things as literal. I note she didn't mention her friend in the main description of the incident. However, it did ask her to describe in one or two sentences what happened. Her answer was to the point, "I left my bag on the beach with my towel and went for a swim I came back and my bag was gone with my watch inside." She later provided more clarity on this when asked to by Great Lakes.*

*The police report asked if there was a witness, and she has explained she read that as someone who actually witnessed the theft. The bag was taken without her friend realising, as it was slightly behind her but in close proximity. She hadn't seen the theft take place only realising after it had already been taken, so considered she wasn't therefore a witness. I can understand her thinking here and accept it as a reasonable explanation as to why the presence of her friend wasn't included.*

*Overall, I'm satisfied Mrs G did everything she could in the circumstances to keep her watch safe by putting it in her bag out of sight and leaving her bag with her friend. This was someone she had trusted and known for many years. It is unfortunate the bag was taken from beside her friend, but I think she did take reasonable precautions to try and prevent it being lost, stolen or damaged. Given this I think it fair and reasonable for Great Lakes to reconsider the claim under the remaining terms and conditions of the policy.*

*For the reasons explained above, my provisional decision is that Great Lakes Insurance SE should reconsider the claim under the remaining terms and conditions of the policy.*

## **Responses to my provisional decision**

Neither Mrs G nor Great Lakes responded to my provisional decision so there is no further information or comments for me to consider.

## **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.

As neither party had any further submissions for my consideration, I see no reason to deviate from the outcome explained in my provisional decision.

## **My final decision**

My final decision is that Great Lakes Insurance SE should reconsider the claim under the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 8 March 2024.

Karin Hutchinson  
**Ombudsman**