

## **The complaint**

Mr A has complained that American International Group UK Limited (“AIG”) didn’t meet his claim for lost wired headphones.

## **What happened**

Mr A made a claim under the mobile phone insurance he had with his packaged bank account. AIG met the claim for Mr A’s mobile phone and accessories but didn’t replace his wired headphones.

Our investigator didn’t recommend that the complaint be upheld as there was no cover for the headphones under Mr A’s policy.

Mr A appealed.

## **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, and although I’m sorry to disappoint Mr A I don’t uphold his complaint. I’ll explain why.

The relevant regulator’s rules say that insurers mustn’t turn down claims unreasonably. So I’ve considered, amongst other things, the terms of Mr A’s policy to decide whether I think AIG treated him fairly.

Mr A’s policy provides:

*d. If the standard accessories supplied with your phone and/or any case, charger, screen protector and/or memory card are lost, stolen or damaged at the same time as your phone, we’ll pay their replacement value up to a maximum of £250 per claim.*

As Mr A’s headphones weren’t supplied with Mr A’s iphone, there is no cover under the policy.

Mr A queried why AIG had settled his claim for his Apple wallet, when that too wasn’t supplied with his phone. He raises a valid point – as strictly the terms would indicate that this wasn’t covered. However AIG has confirmed that it made the decision to treat this as an accessory. I find that was fair. But it doesn’t follow that it was obliged to treat Mr A’s headphones in the same way.

The wired headphones are no longer supplied by the manufacturer, and I note that Mr A would like AIG to cover their replacement costs, which he estimates at £20. But for the reason given above there is no policy cover for these headphones. It follows that there is no basis for me to require to make any further payment to Mr A.

I understand that making a claim can cause inconvenience and stress. But I don’t find that

the situation was made any worse by AIG or that it wrongly dealt with Mr A's claim. It follows that I make no award for the compensation that Mr A has requested.

### **My final decision**

For the reasons given my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 April 2024.

Lindsey Woloski  
**Ombudsman**