

The complaint

Mr L has complained that Europ Assistance SA (EA) declined a claim he made on a travel insurance policy.

What happened

Mr L was on a trip abroad in March 2024 when his phone was unfortunately stolen. EA declined the claim on the basis that the circumstances were not covered under the policy terms.

Our investigator thought that EA had acted reasonably in declining the claim. Mr L disagrees and so the complaint has been passed to me for a decision.

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 carefully considered the obligations placed on EA by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for EA to handle claims promptly and fairly, and to not unreasonably decline a claim.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

Looking at the policy terms, its state:

'LUGGAGE COVER

What you are covered for:

Loss, damage, and Violent Robbery of Luggage

If during the Travel, Your Luggage:

— is stolen by means of Violent Robbery,

— is lost definitely or if it suffers damages for causes attributable to the carrier included in the Travel'

It then goes on to state:

'WHAT YOU ARE NOT COVERED FOR:

You are only covered in relation to the insured events enlisted in the section What You are covered for and to the extent therein described.....'

The definition of '*Violent Robbery*' is:

'Threat or use of physical violence against the Insured'

In this case someone approached Mr L in the street, asked some questions about directions and then asked if he could be shown the way. Although Mr L wasn't aware of it at the time, this person had unzipped his bag and stolen his phone.

EA declined the claim because the items had not been stolen by means of a violent robbery.

Mr L has said that theft without violence isn't categorically excluded from cover. However, as set out in the policy wording above, the '*What you are not covered for*' section sets out that there is only cover for events listed in the '*What you are covered for*' section, and nothing else.

I appreciate he feels that the claim should be covered under the broader interpretation of loss. But I consider it is clear from the policy wording that there are two distinct insured perils. One is for lost or damaged items and the other is for stolen items. And in the case of stolen items, the theft is only covered if it was the result of a violent robbery. Mr L has certainly suffered a loss of his phone. But the primary reason for that loss is because it was stolen. So I'm satisfied that it was reasonable for EA to look at the circumstances as a theft and then to conclude that it wasn't the result of a violent robbery.

Insurers are entitled to decide the level of risk they are willing to cover, as long as they make that clear. And I think the above clause is clear that theft is only covered in the circumstance of violent robbery. I don't agree with Mr L that there is any ambiguity.

I am sorry for what happened to Mr L. He was targeted by a thief and is out of pocket as a result. However, the matter at hand is whether those circumstances are covered under the policy terms – and I'm afraid that they are not. I consider it reasonable that EA declined the claim, in line with the policy terms and conditions.

My final decision

For the reasons set out above, my decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 11 December 2024.

Carole Clark
Ombudsman