

The complaint

Mr K complains that Starr International (Europe) Limited (“Starr”) unfairly declined his claim on a mobile phone insurance policy.

What happened

Mr K had a phone insured on a policy branded with the names of his service provider and an administrator. Starr was the insurance company that was responsible for dealing with any claim.

On 1 February 2024, someone pick- pocketed the phone from Mr K, according to his claim to Starr on 2 February 2024. On 3 February 2024, Mr K reported the theft to his service provider.

Much of the complaint is about acts, omissions, and communications by the administrator on behalf of Starr. Insofar as I hold Starr responsible for them, I may refer to them as acts, omissions or communications of Starr.

In late May 2024, Starr declined the claim. Mr K complained to Starr about that.

By a final response dated 27 June 2024, Starr turned down the complaint.

Mr K brought his complaint to us in without delay.

The service provider wrote to Mr K dated 30 June 2024.

On about 7 October 2024, Mr K provided further information including the service provider’s communication dated 30 June 2024.

Our investigator didn’t recommend that the complaint should be upheld. She didn’t think that Starr acted unreasonably by declining the claim.

Mr K disagreed with the investigator’s opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- He didn’t use the phone after 1 February 2024.
- Someone used it but only for data.
- He blocked the phone.

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.

The policy terms included the following term:

“Section 13. General Conditions

...

(iv)

You must respond honestly to any request for information we make when you take out cover under this policy or apply to amend your cover under this policy. In the event that any statement of fact you make is untrue or misleading, this may affect the validity of your policy, any claims previously paid by us, and whether it is possible for you to make a subsequent claim.”

I consider that this term relates to statements made at the time of taking out or amending the policy. That is not in issue in this complaint.

From what the service provider has said, someone used the SIM in the phone on the evening of 2 February 2024, before it blocked its services on 3 February 2024.

Mr K has said that someone had logged into his ID account and deactivated the “Find phone” service. He has said that he received an email notification of this access to his account. He hadn’t sent any such email notification to Starr.

Starr said that a database showed that the phone was connected to Mr K’s cloud account and that the “Find phone” service was active in late March 2024.

From what the service provider has said, it blocked or blacklisted the phone on 31 May 2024.

I don’t consider that there was any reason for Starr to quote general condition 13(iv) in its final response. However, I wouldn’t find it unfair for Starr to decline a claim if there was evidence that the loss of the phone wasn’t as Mr K reported.

Starr didn’t consider that that the loss of the phone was as Mr K reported. That was because the reported theft on 1 February 2024 wasn’t consistent with the following points:

- Someone disabled the “Find phone” service after the theft (despite password security).
- Someone reinstated the “Find phone” service by late March 2024 (despite password security).
- Mr K hasn’t provided an email notification of access to his account.

Mr K hadn’t given an adequate explanation of these discrepancies.

Indeed, Mr K has made his claim less clear by providing evidence that someone used the phone on the evening after the theft (despite password security).

So I don’t consider that Starr treated Mr K unfairly by declining his claim. I don’t find it fair and reasonable to direct Starr to reconsider the claim or to do any more in response to the complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold the complaint. I don't direct Starr International (Europe) Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 12 February 2025.

Christopher Gilbert

Ombudsman