

## **The complaint**

Mr Q complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) declined a claim for the loss of his coin collection under his household insurance policy.

## **What happened**

Mr Q had a household insurance policy with Admiral covering his home and belongings. He had a coin collection of precious metals which was listed on the policy.

He took his entire coin collection on a trip to visit a friend.

He travelled by public transport and a taxi. When he arrived in a different city and checked into a hotel, he realised his coin collection wasn’t in his backpack.

He reported the loss to the police and made a claim from Admiral.

Admiral looked into his claim which was for a substantial amount of money. It declined his claim as it thought Mr Q was carrying the coins “loose”. It took about eight months in total for Admiral to investigate and decline the claim.

Mr Q wasn’t happy about his claim being declined and he complained about this, and the service he had. He brought his complaint to this service. He asks that Admiral pay his claim and talks about the stress Admiral has caused him.

Our investigator looked into his complaint and thought it would be upheld. He said he thought Admiral should settle Mr Q’s claim, and pay him compensation of £200.

Mr Q accepted the view, but Admiral didn’t. It asked that this complaint was reviewed by an ombudsman. Because it didn’t agree, this complaint has been passed to me to make a final decision.

I issued a provisional decision intending to uphold Mr Q’s complaint, but dealing with the claim on a slightly different basis:

*Mr Q took his coins in a coin holder which he placed in a rucksack. The coin holder’s description isn’t clear, but was apparently the size of a spectacle case, or perhaps a mobile phone.*

*The coins were very valuable. They were being carried together in the case and weren’t mounted or fixed to anything. Coins of this type are often mounted to avoid damage from them rubbing against each other.*

*Under the terms of Admiral’s cover, coin collections are covered via an endorsement to the policy, which applied to Mr Q:*

*“Your coin collection is covered up to the value shown in your home policy schedule subject to;*

- a) your coins are kept in a locked drawer or cabinet except when being handled;*
- b) your coins must be carried by you or an adult authorised by you. Any loose individual unmounted coins are not covered."*

*Admiral used part b) of the endorsement to reject the claim. It said the coins were loose.*

*There's been substantial amounts of correspondence between this service and Admiral about this endorsement and what the above wording meant and how it was being applied to Mr Q's claim.*

*I've read all of the comments, but I'm not going to refer to them here in depth. The reason for this is because I think both our investigator and Admiral make good points about the use of the endorsement and the meaning and strength of the words contained within it.*

*And that leads to the crux of the problem – doubt as to the meaning of a particular phrase should, therefore, be held against the writer of the phrase. In this case, this means Admiral. What Admiral should have done was clarify exactly what requirements it had for when items of such significant value were being transported by Mr Q, rather than referring to the endorsement after the event on the basis that the coins weren't mounted.*

*When I look at the endorsement, my main concern with Admiral's rejection of the complaint would be that the coins weren't being carried individually, but together in the coin holder.*

*And, again, I think the lack of clarity in its wording means I don't think Admiral can rely on its own wording to decline Mr Q's claim for this reason.*

*What this means is that I think Admiral now need to reconsider Mr Q's claim on the remaining policy terms.*

*This is a different outcome from that reached by our investigator, and the reason I'm proposing it is because I don't think I can fairly ask Admiral to settle Mr Q's claim, but I can say that I'm not allowing it to reject his claim by using the endorsement shown above.*

*I've also looked at the claims process followed by Admiral. I've mentioned above that it took Admiral about eight months to reject his claim. The initial stage of the investigation took about a month, and Mr Q was interviewed by a specialist company working for Admiral at the end of this period.*

*But after this time, there's a gap of about seven months during which Mr Q contacted Admiral regularly and asked it for updates. I can see from the file that Admiral was investigating various aspects of his claim, but it seems to me that Admiral caused a significant delay before finally rejecting his claim.*

*I can appreciate that Admiral felt it needed to investigate Mr Q's claim thoroughly, but it seems to me that it had most of the investigation complete within a few weeks of the loss of the coins, but still took several months to deal fully with it which seems to have mostly been due to internal processes and discussions. I don't think this has been good service from Admiral and I can see from Mr Q's evidence that it's caused him distress and inconvenience. So I think Admiral need to pay Mr Q £200 for the delays it caused him.*

## **Responses to my provisional decision**

Both Admiral and Mr Q accepted my provisional decision. Mr Q asked further questions about whether Admiral would pay out on the value of the coins at present, or the time of loss.

## **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.

In response Mr Q's points he made in reply to my provisional decision, what I'm able to say that Admiral now need to reconsider his claim in line with the remaining policy terms. In other words, I'm not allowing it to use the endorsement I've talked about above.

What this means is that the other parts of the policy wording will be used to determine what happens next. If Mr Q is unhappy about the next step then he can make a further complaint to Admiral about it, and this service in due course if he remains unhappy.

## **My final decision**

For the reasons set out above, my final decision is that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to:

- Consider Mr Q's claim for the loss of his coin collection on the remaining policy terms.
- Pay Mr Q £200 for his distress and inconvenience caused by delays in its claims process.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 30 January 2025.

Richard Sowden  
**Ombudsman**