

## **The complaint**

Mr and Mrs L complain that Europ Assistance SA ("EA") unfairly rejected their travel insurance claim.

For ease of reading I'll just refer to Mr L throughout this decision.

## **What happened**

Mr L previously worked for a major airline and had access to standby flights. To make the most of this benefit, he planned a trip to Morocco that was due to start on 2 August 2024 and booked non-refundable accommodation. To safeguard him against the possibility of his holiday being cancelled, he purchased a staff travel cancellation waiver insurance policy.

On the morning of his trip, the airline cancelled Mr L's flight due to poor weather conditions. Unfortunately, there were no further flights departing that day from the same airline, so Mr L cancelled his holiday and made a claim on his policy to try and recover the cost of his accommodation.

EA then declined the claim as they said the insurance policy only provides cover when a holiday is cancelled due to a lack of standby seats. They also explained the policy specifically excludes any claims that result from a flight being cancelled.

Mr L then made a complaint and in summary said:

- It's reasonable to conclude there were no standby seats available due to the fact his flight was cancelled.
- A different airline successfully flew to the same destination, on the same day and at a similar time. So, it could be argued the bad weather wasn't the real reason for the flight being cancelled and he was effectively declined boarding.
- Before submitting the claim, it was his understanding the policy covered him if he needed to cancel the holiday for any reason. EA should have set out the policy limitations clearly and they didn't do that here, as the Insurance Product Information Document (IPID) is misleading. This therefore means it's unfair for EA to rely on the policy exclusion.
- The claim should be paid as the policy is described as cancellation insurance, and when he discussed the claim with an adviser, they told him it would be settled.

An investigator at our service then considered the complaint and concluded the claim hadn't been unreasonably declined. She also listened to the call Mr L mentioned and said she didn't agree the adviser informed him the claim would be settled.

Mr L didn't accept the investigator's opinion, so I've considered the complaint afresh.

## 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, I don't uphold this complaint and I'll explain why.

The relevant rules and industry guidelines say insurers have a responsibility to handle claims promptly and fairly. And they shouldn't unreasonably reject a claim. So, I've taken this into consideration when deciding this complaint.

No travel insurance policy covers every eventuality. The level of cover and insured events are set out in the policy terms, conditions, and exclusions. It's also important to note that each insurer is allowed to decide what they'd like to cover in exchange for the policy premium.

I've reviewed the *"Particular terms and conditions – Staff Cancellation Waiver Insurance"* section of the policy wording which starts on page 11 and note that it says:

*"The object of the cover is to pay up to the final invoiced cost in total, for Your part of unused accommodation, car hire, transfers and experiences which have been paid or where there is a contract to pay and that cannot be recovered from anywhere else.*

*We will only provide this cover if You have to cancel Your journey because You are denied boarding as a result of there being insufficient seats available in all classes of cabin on Your outbound (\*) sub-load flight from the UK.*

*On the same page, it says no cover is provided for "The cancellation of the (\*) sub-load flight for any reason".*

In light of this, I'm satisfied Mr L's claim wasn't unfairly rejected as his flight was cancelled due to poor weather conditions, and this isn't an insured event covered under the policy. I appreciate Mr L disputes the reason the airline gave for cancelling the flight, but I'm unable to investigate the actions of the airline, and there is no dispute the flight was cancelled.

I agree with Mr L, that insurers have an obligation to highlight specific policy limitations and make sure their policy documents are clear and not misleading. I'm satisfied this has taken place here, as the above policy wording is clear. Mr L has suggested the IPID is misleading, as it says *"This insurance policy covers the financial loss you incurred due to the cancellation of your travel"*. However, I can see that below this sentence, the document repeats the above policy wording. So, I'm satisfied all the policy documents are suitably clear and I see no grounds for concluding EA acted unreasonably by relying on the policy terms to decline the claim.

Mr L has said it's unfair for the policy to be described as cancellation insurance, and then not pay out when a holiday is cancelled. However, I don't think it's reasonable to conclude, the use of the word cancellation means EA should automatically settle all claims where a holiday is cancelled. Every insurance policy is subject to its terms and conditions, and as stated above, I'm satisfied the terms were set out clearly here. I also think the use of the word cancellation in the title of the policy is appropriate, as the policy provides cancellation cover when no standby flights are available. Unfortunately, that doesn't match the reason Mr L's holiday was cancelled, so I'm satisfied EA acted reasonably by declining his claim.

Lastly, I've listened to the call Mr L had with EA's adviser before submitting the online claim. I'm sorry to hear Mr L feels the adviser raised his expectations, and he left the call believing

his claim would be settled. However, the adviser's role was just to explain the process to submit a claim, and I'm satisfied the information he shared about the cover available under the policy was reasonably clear.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mrs L to accept or reject my decision before 14 April 2025.

Claire Greene  
**Ombudsman**