

## The complaint

Mr I is unhappy with what Chubb European Group SE did after he made a claim on his mobile phone insurance policy.

## What happened

In June 2024 the back panel of Mr I's iPhone was damaged following an accident. He thought his policy with Chubb included AppleCare cover so booked a repair appointment at an Apple store. However, he was then told he would need to make a claim on his policy. Chubb said the damage to Mr I's phone meant it would need to provide a replacement handset and an excess of £120 would apply. Mr I was unhappy with that as a repair carried out by Apple (which he thought his policy covered) would have a much lower excess.

Our investigator reviewed the policy information which said it included AppleCare services. And while Chubb said that differed from the product offered by Apple itself she didn't think that was made clear in the information Chubb was responsible for. She also said it was unclear how a policyholder would be able to obtain benefit from the product Chubb said was included with its policy. And she didn't think Mr I would have taken out this policy if the information had been clear. She thought the fair outcome was for Chubb to reimburse the difference between the excess he had paid and the amount he would have paid for an AppleCare repair (plus interest). It should also pay him £100 in recognition of the inconvenience he'd been caused.

Mr I agreed with her outcome. Chubb didn't agree. It said the welcome pack Mr I had been provided with made clear the product he'd taken out was different to that offered by Apple. Its AppleCare services product was more limited and didn't cover the circumstances of Mr I's claim. So Mr I did need to make a claim on his policy following the damage to his phone. The policy terms explained what excess would apply to a claim like that and it thought the correct excess had been applied in this case (a discounted excess might apply to a screen repair but that wasn't the case here).

So I need to reach a final 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.

The relevant rules and industry guidelines say Chubb has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

I've looked at the terms and conditions of Mr I's policy. That says "*If your device is damaged accidentally by you, someone other than you, or by someone you've allowed to use your device, we'll give you a replacement one*". As Chubb accepted the claim I don't think it's in dispute the damage to Mr I's phone would be covered by that section of his policy. And the policy documentation says where a phone is replaced an excess of £120 will apply. So I

think it was in line with the policy terms for Chubb to say that's the amount Mr I would need to pay in this case.

However, as well as considering the policy terms, I also need to consider what's fair and reasonable in all of the circumstances. Mr I's position is that, based on the policy documentation, he thought the repair of his phone would be covered under the AppleCare product his policy included. And I understand a repair carried out by Apple in these circumstances would only have an excess of £25.

Chubb says the product its policy provides is different to the one offered by Apple if a consumer buys direct from them. That may be the case but under the relevant rules Chubb is responsible for producing "*appropriate information*" about its policy. In my view that would reasonably include information about its main benefits, exclusions, limitations and conditions. Having reviewed the information Chubb produced I don't think the difference between Apple's product and that offered by this policy is made clear in the information Chubb is responsible for.

In particular the policy wording says "*Welcome to your insurance for your mobile phone which includes AppleCare Services benefits*". The description of the AppleCare services in both the policy and the Insurance Product Information Document (IPID) includes "*Your Policy includes the following AppleCare Services Benefits...Worldwide repair service at Apple Stores and Apple Authorised Service Providers*". At no point does either the policy or the IPID make clear that this isn't the same as the similarly named AppleCare+ product offered by Apple or explain how its cover differs from that.

My understanding is Chubb's product does include elements of the cover offered by Apple but that falls within the terms and conditions of its policy (and is therefore subject to the relevant excess where a claim is made). But that's only apparent from a detailed review of the full policy terms. I think clearer information about the AppleCare services product the policy offered is something Mr I needed in order to decide if this policy was right for him. And for the reasons I've explained I'm not satisfied Chubb did make that clear in the information it was responsible for.

Mr I says he thought the policy did include the full benefits of AppleCare and that was a key factor in his decision to take it out. And he's provided information on the discussions he had when the policy was sold in support of that. That isn't something Chubb is responsible for because it didn't sell the policy. But, having considered his comments, I'm satisfied if the documentation had been clear Mr I wouldn't have taken this policy out. Instead, I think it likely he'd have taken out the policy offered by Apple which would have covered the claim he subsequently made for a lower excess.

As a result, I agree Chubb should reimburse Mr I the £95 difference between the excess he did pay and the amount he would have paid under the other policy. It will also need to pay interest at 8% simple on that amount from the date he made the payment until the date of settlement. If Chubb considers it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr I how much it's taken off. It should also give him a tax deduction certificate if he asks for one so he can reclaim the tax from HM Revenue & Customs if appropriate. And as I think Mr I has been caused some avoidable inconvenience by what Chubb got wrong it will also need to pay him £100.

### **My final decision**

I've decided to uphold this complaint. Chubb European Group SE will need to put things right by doing what I've said in this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or

reject my decision before 22 April 2025.

James Park  
**Ombudsman**