

The complaint

Mr C has complained that Inter Partner Assistance SA (IPA) unreasonably declined to pay his claim for liquid damage to his mobile phone under the gadget insurance section of his travel policy.

Mr C is represented by his wife Mrs C. The policy provides cover for Mrs C and their children also. And it is Mrs C's mobile phone that was damaged too. However, since Mr C is the policyholder, for ease of reference, I shall just refer to Mr C throughout. No disrespect is intended by this whatsoever either.

Further IPA in dealing with this claim and is part of the underwriter.

What happened

Mr C damaged his mobile phone accidentally with liquid and made a claim under the gadget insurance section of his travel policy.

The mobile phone was bought in the USA as a gift from a friend. When Mr C produced the receipt to prove ownership and IPA saw it wasn't bought in the UK, it declined his claim as in order to be covered, the mobile phone must have been bought in the UK.

Dissatisfied, Mr C brought his complaint to us. The investigator was of the view that IPA hadn't done anything wrong as mobile phones and any other gadget not bought in the UK were excluded from cover under the policy.

Mr C disagreed so his complaint has been passed to me to decide.

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'm not upholding this complaint. I do understand and appreciate Mr C will be very disappointed, so I'll now explain why.

The gadget part of this travel policy is an add on benefit, which Mr C purchased.

Under the section entitled 'Conditions and Limitations' it says the following:

1. Gadget cover only provides insurance protection for **your gadget(s)** purchased in the UK. Cover automatically extends to include use of **your gadget(s)** whilst on a trip covered by this policy and are subject to any repairs being carried out in the UK by repairers approved by us.

2. Your gadget(s) must not be more than 4 years old, must be purchased in the UK as new, or if refurbished, purchased with a 12-month warranty, and you must be able

*to provide **evidence of ownership** when it is requested. **Evidence of ownership** should include the make, model and IMEI/serial number of the **gadget(s)** and must be in **your** name or **you** must be in possession of a gift receipt.'*

I consider the confusion arose given the wording of the 'criteria definition' which says the following:

'Criteria

*– Means **we** can only insure **your gadget(s)** if **you** are able to provide **evidence of ownership**, and if they are:*

- 1. Purchased by **you** as new in the UK, or;*
- 2. Purchased by **you** as refurbished in the UK, as long as they were purchased with a 12 month warranty or;*
- 3. Gifted to **you** as long as you are able to provide a Gift receipt, and;*
- 4. Are not more than 4 years old at the time this policy is initially purchased, and;*
- 5. Are in **your** possession and in good working condition (not accidentally damaged) and;*
- 6. Have not previously been repaired using non-manufacturer parts.'*

I can certainly understand why Mr C thought given how this criteria clause is worded that the fact it was a gift to him still meant it was covered, regardless of the fact it wasn't purchased in the UK. It's not worded very well in my opinion and could have been much clearer. Further the contents of the final response letter could have detailed this better too instead of just mentioning this criteria section, so thereby inexplicably further confusing the matter for Mr C.

A proper reading and comprehension of 'or' at the end of an item in a list like this above, means the next item on the list will be an alternative, not an additional requirement. When 'and' is then used in the list, it means the next item is an additional requirement.

However, this clause is only concerning itself with the fact that in addition to gadgets bought by the claimant, refurbished gadgets are also acceptable to be insured, as are gifts, provided they are not more than four years old **and** haven't been previously repaired using non-manufacturer parts too.

It's clear to me on reading the policy document for the gadget cover, that it might been better if the requirement for the gadget to have been purchased in the UK whether as a gift or otherwise, was said upfront in the beginning of the section for gadget insurance under the 'important information' section. And indeed, also detailed in the 'What is not covered' section too. More so given the extensive availability of gadgets worldwide with updated models being possibly released elsewhere earlier than in the UK and possibly more cheaply too. Then Mr C would not have made his claim and would have understood that as this mobile phone was bought as a gift for him in the USA, it simply wasn't covered by this policy. I also note IPA didn't provide us with the correct Insurance Product Information Document for this add on to Mr C's policy either.

The 'Conditions and limitations' section does make it clear that the cover however, only extends to gadgets bought in the UK. So even though this could have been explained better in the policy document and explained better in the final response letter to Mr C, I consider it's not reasonable to say the liquid damage claim by Mr C for this phone ought to have been met by the cover provided under this policy.

Insurers are entitled to decide what risks they want to cover and what risks they don't, as this is part of their commercial discretion. So, this is permitted by the regulator the Financial

Conduct Authority and varying insurance regulations. So not every policy covers every eventuality, and neither are they expected to do so. So, I don't consider IPA has done anything wrong with its limitation that the gadget had to have been bought in the UK. It remains a pity the policy is a little opaque in saying this thereby causing understandable confusion. IPA does now have clear duties under the Consumer Duty as regards consumer understanding of the insurance policy provided.

My final decision

So, for these reasons, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 July 2025.

Rona Doyle
Ombudsman