DRN-5601788

The complaint

Mr G complains that Assurant General Insurance Limited declined his mobile phone insurance claim.

What happened

Mr G has mobile phone insurance through a building society account, Assurant is the insurer. In August 2024 he claimed for his iPhone which he said he'd dropped accidently into a river.

Assurant spoke to Mr G about the claim. Its final response letter said the claim wasn't covered by the policy terms because he'd given misleading information. Mr G had told Assurant that the phone he'd dropped was using a SIM card with a phone number ending 730. The network provider had told Assurant there wasn't any usage with that number on the phone.

Mr G complained to us. In his complaint form he set out that during the assessment call:

- He'd told Assurant he managed at least six mobile phones and frequently switched between phones so he couldn't immediately recall which phone number was being used on the iPhone at the time of loss. He told Assurant he was unsure about the phone number but Assurant insisted he provide one and feeling 'immense pressure' he provided the number from the contract under which he'd bought the phone.
- He'd told Assurant that he mainly used the iPhone for taking photos and accessing maps, which don't require an active cellular connection or SIM card usage. So the phone number in use was irrelevant to the event that led to the loss of the phone.
- Assurant focused on 'forcing' him to provide a phone number rather than understanding the context of how the phone was used. That put him in an 'extremely stressful situation' and he 'felt forced into giving a phone number under duress'.
- He told Assurant during the call that he was under significant stress and dealing with depression. He sent Assurant a doctor's letter confirming his medical conditions. Assurant's lack of understanding exacerbated his depression.
- He didn't knowingly give misleading information. He'd provided clear proof of ownership of the phone (receipts and photos) and he'd given evidence of the phone's loss. Assurant's decision to reject his claim over a technicality involving a phone number, which was only provided after 'significant coercion', was a violation of the Consumer Insurance (Disclosure and Representations) Act 2012.
- He wants Assurant to pay him the full value of the phone and compensation to acknowledge the distress it caused by mishandling the situation and his inconvenience of being without a phone for such an extended period.

Our Investigator said Assurant had unfairly declined the claim as there was no policy term that required Mr G to provide proof of usage. He recommended Assurant reconsider the claim under the remaining policy terms and pay Mr G £100 compensation for his distress and inconvenience.

Assurant disagreed and wanted an Ombudsman's decision. It said Mr G hadn't told it he didn't know the relevant phone number. Also, under the policy terms it could ask a customer for any information to help assess the claim. The onus was on Mr G to prove he had a valid claim.

What I provisionally decided – and why

I made a provisional decision that I was intending to not uphold the complaint. I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've considered all the points Mr G has made but I won't address all of his points in my findings. I'll focus on the reasons why I've made my decision and the key points which I think are relevant to the outcome of this complaint.

Mr G has referred to the Consumer Insurance (Disclosure and Representations) Act 2012 (the Act) which he thinks is relevant to his complaint. Even if I thought the Act was relevant, it's for a court to decide if there's been a breach of the Act. We are an informal alternative dispute resolution service, our role is to assess whether the business has acted fairly and reasonably. But in making my decision I've taken into account the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and good industry practice at the relevant time.

The regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I need to decide whether Assurant reasonably declined the claim, and I think it did. I'll explain why.

Assurant referred to the following policy wording in its final response letter:

> *'It is important that when applying for insurance or submitting a claim you or anyone acting on your behalf must take reasonable care to answer all questions honestly and to the best of your knowledge. Failure to do so may affect the validity of your policy or the payment of your claim'.*

Assurant has also referred to the following policy term:

> *'We will walk you through the simple claims process and tell you what information you will need to provide for us to assess your claim'.*

It's not unusual or unreasonable for an insurer to ask for proof of usage of a mobile phone when assessing a claim. I think Assurant reasonably asked Mr G about his usage of the phone when trying to establish if he had a valid claim.

I've listened to the assessment call. Assurant asked Mr G for the lost phone's phone number and he gave the number ending 730. Assurant said it was important he gave the right number. Mr G said that he was stressed, he had three SIM cards on about six mobile phones but it would have been that number. He reconfirmed the phone number ending 730 was correct. He told Assurant that he'd last used the phone the day of the loss for taking pictures, using the internet and he thought he'd used some data.

I don't think Mr G gave clear information to Assurant that he wasn't sure about the phone number in the lost phone. I don't think Assurant forced him to give a phone number, as he suggests. Assurant asked Mr G for reasonable information in a reasonable manner. It correctly told Mr G that it needed accurate information about the phone number. If Mr G had been unsure of the phone number I think Assurant could reasonably expect him to give it clear information that he wasn't sure. In the call when Assurant asked Mr G for other information he said that he couldn't recall the information or that he'd have to check. So it's clear that Mr G felt able to tell Assurant that he wanted to check information he was unsure about. I think Assurant could reasonably rely on the phone number he'd given.

I can't hear that in the call Mr G told Assurant he was under 'significant stress' and dealing with depression, as he suggests. On the information it had I don't think Assurant showed lack of understanding. It reasonably conducted the assessment call. I don't agree with Mr G's comment to us that there was 'significant coercion' by Assurant.

Mr G says he provided a doctor's note that told Assurant about his depression. He sent us a letter from his GP practice dated in 2022, about two years before the assessment call with Assurant. That letter was to an educational establishment and said Mr G had spoken to the GP about suffering 'quite badly with his stress and anxiety'. I'm sorry to read he was in that situation but it doesn't mean Assurant's actions were unfair.

Assurant has evidence from the network provider that the SIM card's phone number Mr G gave has never been used inside the iPhone he claimed for. I don't agree with Mr G's suggestion that the phone number in use is irrelevant. As Assurant doesn't have any evidence of usage to place the iPhone in Mr G's possession at the time he says he lost the phone I think Assurant reasonably considered he hadn't shown he had a valid claim.

Mr G has now raised that he wants any fraud indicators on his name due to the claim decision removed. I've seen no evidence that Assurant told Mr G it had added any fraud indicators. Although the policy wording Assurant referred to in its final response letter is under the fraud section of the policy it hasn't told Mr G it thinks this is a fraudulent claim.

If Assurant does consider Mr G's claim to be fraudulent it should write to him to tell him so, why and whether it has added fraud indicators. If agreement can't be reached Mr G can make a separate complaint to us on that matter.

On the evidence I have Assurant reasonably declined the claim, Mr G hasn't shown he has a valid claim. Mr G has been upset at Assurant's actions but as I don't think it's at fault there's no basis for me to say it should pay him compensation'.

Responses to my provisional decision

Assurant didn't respond to my provisional decision.

Mr G didn't agree with it and in summary said:

- My provisional decision wasn't correct to say he hadn't clearly indicated uncertainty about the SIM card number during the assessment call with Assurant. 'The transcript and his repeated clarifications' show he'd told Assurant he was unsure which of the SIMs was in the phone at the time of loss as he switched SIMs between phones. He'd told Assurant he used multiple phones and he was relying on the number associated with the contract when he got the iPhone. His responses were given under significant pressure as Assurant insisted he provide an answer immediately. My interpretation that he reconfirmed the number with certainty overlooks the 'nuance' of his responses and the 'power imbalance inherent in such interviews'.
- I'd 'downplay(ed)' and 'misconstrue(d)' the relevance of his mental health at the time. The GP letter dated back to 2022 but his mental health condition is ongoing including

diagnosed depression and stress which was made worse by the incident and conduct of the interview. My provisional decision failed to consider his ‘psychological distress caused by being interrogated’ during a depressive episode, which was medically documented but not taken into account. He’d felt ‘coerced’ into providing information he was uncertain about. I should consider his position within the scope of reasonable adjustments, as outlined in the Equality Act 2010 and the Financial Conduct Authority’s (FCA) guidance on supporting vulnerable customers.

- Assurant’s reliance on lack of SIM usage as a reason to deny the claim isn’t in the policy terms and is an ‘unreasonable evidentiary burden’ contrary to the FCA’s principle of treating customers fairly.
- He’d provided proof of ownership, receipts and photos of the phone. The phone manufacturer says iPhones can function without SIM cards, particularly for purposes like using the camera and maps which he’d said were his main uses. Upholding Assurant’s decision would create a ‘dangerous precedent’ for denying valid claims based on factors a consumer couldn’t control.
- The phone manufacturer doesn’t retain or disclose information about what SIM card was used in any iPhone due to privacy reasons. That challenges Assurant’s belief that he should have been able to tell it what SIM card was in the phone.
- My provisional decision said there’s no basis for compensation as Assurant wasn’t at fault. But how Assurant had dealt with him and his claim contributed to his ‘significant emotional distress’ and inconvenience from being without a phone.
- Our Investigator had upheld his complaint after detailed review.

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.

I’ve carefully considered Mr G’s response to my provisional decision and reconsidered all the evidence. I’ve quoted some of the wording he’s used in his complaint and response to my provisional decision as it’s clear he feels strongly about his complaint. I’ll explain why his response hasn’t changed my mind about what’s a fair and reasonable outcome. Our decisions aren’t generally precedents, we consider what’s fair and reasonable based on the individual circumstances of the complaint.

When either or both parties don’t agree with an Investigator’s view on a complaint the complaint is referred to an Ombudsman for a fresh review. I can assure Mr G that I’ve done a fresh detailed review of his complaint. My role is to make an impartial decision, I’m not bound by our Investigator’s view.

I’ve re-listened to the assessment call between Mr G and Assurant. It’s reasonable for Assurant to make the claim assessment on the information Mr G gave it before it told him his claim was declined. I’m still satisfied that Assurant reasonably understood from what Mr G told it in the call that the SIM card number for the phone he said was lost ended in 730. He initially told Assurant the lost phone had a SIM from a named phone network provider and gave a number ending in 730. Then he said it would be a SIM from another named phone network provider. Assurant told Mr G it was important he gave accurate information for his claim. Mr G said he had three SIM cards and about six phone contracts. He confirmed the number would have been the number ending in 730. I don’t think Mr G clearly told Assurant that he wasn’t sure about the phone number in the lost phone.

I’ve considered Mr G’s comments about the ‘nuance’ of his responses, he felt there was a ‘power imbalance’ and he felt ‘coerced’ into providing information he was uncertain about.

Having re-listened to the call I'm still satisfied that Assurant asked Mr G for reasonable information for his claim in a reasonable manner. I don't think there's evidence to support Mr G's suggestion that he felt 'coerced' into providing information he was uncertain about. He was able to tell Assurant he wanted to check some of the information he was unsure about. I think Assurant could have reasonably expected him to clearly tell it he wasn't sure, or wanted to check, which SIM card number was in the phone if he was unsure.

I'm sorry if Mr G thinks I've downplay(ed)' and 'misconstrue(d)' the relevance of his mental health at the time. Insurers have certain responsibilities under the Equality Act 2010 and the FCA's guidance for the fair treatment of vulnerable customers. I decide whether Assurant acted reasonably, given those responsibilities, on the evidence it had about Mr G's mental health condition at the relevant times. From what Mr G told Assurant on the call, that he'd had 'a lot of stress right now', I wouldn't reasonably expect Assurant to conduct the call any differently than it did.

After the assessment call Mr G sent Assurant a letter from his GP dated 2022. The letter is to an educational establishment and said Mr G had spoken to the GP about suffering 'quite badly with his stress and anxiety'. I don't think the evidence in that letter means Assurant's decision to decline the claim was unfair or that it acted unreasonably. Mr G hasn't provided any medical evidence that his mental health condition was ongoing in 2024 or that his condition was made worse by Assurant's assessment call. Even if there was such medical evidence it wouldn't have to mean Assurant's actions were unreasonable.

I've considered Mr G's comments about why he shouldn't need to tell Assurant what SIM card was in the lost phone. Even if the phone manufacturer doesn't retain or disclose information about what SIM card was used in an iPhone that doesn't mean it's unreasonable for Assurant to ask a consumer the phone number for a phone a consumer says is lost. The policy terms don't say Mr G had to show a SIM has been used in a phone to make a claim. But the onus was on Mr G to prove to Assurant that he had a valid claim. I think Assurant reasonably concluded that on the information Mr G had given it he hadn't shown he had a valid claim.

For the reasons I've given in my provisional findings and these findings I don't uphold this complaint. Assurant reasonably declined the claim and there's no basis for me to say it should pay Mr G compensation.

Although the policy wording Assurant referred to in its final response letter is under the fraud section of the policy it hasn't told Mr G it thinks this is a fraudulent claim. If Assurant does consider Mr G's claim to be fraudulent it should write to him to tell him so, why and whether it has added fraud indicators. If agreement can't be reached Mr G can make a separate complaint to us on that matter.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 August 2025.

Nicola Sisk
Ombudsman