

The complaint

Mr A has complained that Chubb European Group SE declined to pay his claim under the refund protection benefit on his Travel, Purchase and Refund policy attached to his credit card. This is because the retailer wouldn't refund an additional air pod he had purchased as he had changed his mind and had bought a pair instead.

What happened

Mr A lost his left air pod on holiday. So, he purchased a new replacement air pod from the retailer using his credit card. Then he decided to buy a new pair instead, but the retailer wouldn't refund this purchase for the one air pod.

Therefore, Mr A made a claim under the refund benefit on his policy with Chubb. Chubb declined his claim, saying what he had bought from the retailer was out of warranty which meant it wasn't new. So, the policy didn't cover this as the policy covers items only in a new and saleable condition.

Mr A disagreed and brought his complaint to us. Ultimately the investigator didn't think Mr A's complaint should be upheld as he didn't show that the air pod hadn't been used.

Mr A remained dissatisfied, so his complaint was passed to me to decide.

I issued a provisional decision on 25 June 2025, and I said the following:

'Having done so, I'm intending to uphold this complaint. I'll now explain why.

I consider Chubb's correspondence with Mr A was confusing as it confused the matter by insisting the original air pods Mr A had, were out of warranty which was irrelevant to Mr A's purpose in buying a new single air pod, as that was solely due to the fact he lost one. It also said that due to this, the further air pod Mr A then bought consequently was not new. This isn't the case at all.

Mr A, on losing one of his air pods, opted to avail of the retailer's offer to buy a single air pod. Mr A showed us the offer and it is as follows:

'Featured services

Replace a lost AirPods

*Did you lose an AirPods or your Charging Case? You can buy a replacement for a left or right AirPods or the Charging Case. **Your replacement will be new. [my emphasis].***

...

How much will it cost?

You can replace a single AirPods (left or right AirPods) or a Charging Case for a fee.'

Therefore, I consider this was clear evidence that the single air pod Mr A bought from the retailer was indeed new. And the warranty or otherwise of the original set of air pods Mr A had, one of which was lost, is entirely irrelevant to his claim as there is nothing at all in the policy document concerning any issues over what warranty any item claimed for a refund ought to have. The offer Mr A availed of from the retailer was for a new single air pod because he lost one on holiday. It's irrelevant that his original purchase of both air pods was possibly now out of warranty, consequently. So, I consider that has no bearing on Mr A's claim.

In the Insurance Product Information Document (IPID) giving a synopsis of the cover Mr A had with Chubb, says the following under what is covered:

'Refund Protection

Up to £200 per item if a UK retailer will not take back an eligible item purchased on the Card account within 90 days of purchase. Max cover is £750 in a 12 month period.'

However, I note 'eligible item' is not defined in the policy document below. Eligibility to claim is defined in the policy meaning the credit card being issued and the account being valid, with the account balance paid but there is no definition of eligible item. All benefits provided are based on the card being used. That is the case here with Mr A as he used his credit card to buy the single air pod.

Under what is not covered in the IPID, it says:

'Second hand items.'

It's clear from the retailer's offer that Mr A bought a new single air pod.

In the actual policy document, it says:

'1.2 REFUND PROTECTION YOUR BENEFITS

This benefit applies to items purchased on the Card Account for personal use that have had no previous owner and were not purchased privately. Only items purchased from a retailer operating in the UK with premises at a UK address are covered.

If a retailer will not take back an unused item You purchased on the Card Account within 90 days of purchase, You will be paid:

- a. the purchase price of the item or £200, whichever is the lower.*
- b. You will only be paid up to a maximum of £750 under this Refund Protection Section 1.2 in any 12 month period.*

EXCLUSIONS

You will not be covered for:

- 1) Any item with a purchase price less than £25.*
- 2) Items that are not in a new and saleable condition, free from all defects, and in full working order.'*

Under the 'Claims Conditions and Requirements' the policy says for 'Refund Protection', *'the information required'* is as follows:

- *'Proof that You purchased the item on Your Card*
- *Receipt from retailer*
- *Details of retailer who refused to accept returned items*
- *Purchased items in original packaging'*

Mr A has shown he bought the single air pod new, provided the receipt, provided the details from the retailer that wouldn't refund him and why which is that it is company policy not to refund the purchase of single air pods, and showed the original packing. He also states this air pod hasn't been used or paired with the other one. The policy doesn't ask him to do anything more, so therefore the policy should provide the benefit claim, which Chubb hasn't done.

If Chubb additionally wants Mr A to show the new single air pod that he bought from the retailer is in a new and saleable condition, free from all defects and in full working order beyond showing the original packaging, then it should have detailed this in the 'information required' section to include having Mr A send the item to Chubb to verify it. I also don't consider the policy wording goes so far as it having to be 'unused' (as that's not defined either) however, merely that the retailer wouldn't refund for the unused item. The fact that Mr A has been able to show the original packaging and that it was bought new is sufficient also in my view. Nonetheless he confirms it was never used and never paired with the other original air pod as he decided the next day to buy a new pair of air pods as he explained to Chubb when making his claim.

Therefore, I consider an 'insured event' happened which is covered by this policy too. So, Chubb should now pay Mr A's claim with interest.

I also consider this caused Mr A, who does suffer from mental health issues, considerable trouble, upset, distress and inconvenience, more so as Chubb confused the issue so badly over concentrating on a warranty issue, which is not pertinent to the policy terms. Therefore, I consider Chubb should pay compensation in the sum of £150. I consider this is fair and reasonable for the circumstances. Our information on compensation is more fully detailed on our website.'

Both Mr A and Chubb agreed with my 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.

Given both parties agreed with my provisional decision I see no reason to depart from it.

My final decision

So, for these reasons it's my final decision that I uphold this complaint.

I now require Chubb European Group SE to do the following:

- Pay Mr A's claim, adding interest of 8% simple per year from one week after Mr A made his claim to the date of its refund. If income tax is to be deducted from the

interest, appropriate documentation should be provided to Mr A for HMRC purposes.

- Pay Mr A the sum of £150 compensation for the distress and upset caused.

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

Rona Doyle
Ombudsman