

The complaint

Mr N complains that Starr International (Europe) Limited declined a claim under his mobile phone insurance policy.

Any reference to Starr includes its agents.

What happened

Mr N held insurance cover for his phone and tablet. The policy was underwritten by Starr.

Mr N got in touch with Starr on 3 February 2025 as his phone and tablet were stolen. Starr asked Mr N for the IMEI numbers for the devices before it could progress the claim. Mr N provided these and made a claim. He first submitted a loss report, but he provided a crime reference number a few days later. Starr asked Mr N for further information on 12 February 2025, including proof of usage and blacklisting the devices, and screenshots from the provider's tracking service.

Starr first declined the claim as it said Mr N failed to report the theft to the police without delay, as required by the policy terms. But when Mr N raised a complaint, Starr noticed that when Mr N submitted the claim, the provider's tracking service wasn't activated on the tablet. However, this showed as activated after Starr declined the claim.

Starr said it's not possible to activate the provider's tracking service remotely, rather, you need to have possession of the device, as well as the user's security details to access the service. So, Starr said that as Mr N hadn't notified it of any suspicious activity on his account, it believed that either Mr N, or someone he had shared his security details with, had access to the devices.

Starr relied on the fraud exclusion to decline the claim for both devices, due to the change in the tablet's tracking service's status. But it hadn't applied any fraud markers to Mr N's record, and it said that if he can provide a reasonable explanation for how the tracking service was activated on the tablet after it was stolen, it will reconsider the claim.

Unhappy with Starr's position, Mr N brought a complaint to this Service. One of our investigators looked into what had happened. And having done so, she didn't think Starr had shown how the delay in Mr N reporting the theft to the police had prejudiced its position. So, she didn't think it had acted fairly or reasonably when it first declined the claim for this reason. But the investigator thought Starr had acted fairly when it relied on the fraud exclusion, for the reasons it did. And overall, she didn't think Starr had acted unfairly or unreasonably in how it handled Mr N's claim in the circumstances.

Mr N didn't agree with the investigator's findings. He said Starr acted unfairly when it declined the claim due to a change in the device's tracking service's status after he no longer had possession of the device. He says he did not activate it, nor share his security details with anyone. Mr N says the device may have been charged or switched on by whoever was now in possession of it.

As no agreement was reached, the 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of this complaint.

I agree with the investigator that Starr hasn't shown how a delay in reporting the theft to the police prejudiced its position to consider the claim. So, I don't think it acted fairly when it first declined the claim for this reason. But Starr has since relied on the fraud exclusion, which says the following:

"If you or anyone acting on your behalf knowingly or recklessly provides information or documents to us that is/are untrue or misleading, fails to disclose information, submits a fraudulent or false document or item, or exaggerates any claim made under this insurance policy, we will not approve any claim and all cover under this policy will cease immediately. The insurer may take legal action against you for the return of the insured item and any cash settlement or other compensation and may demand reimbursement of the expenses incurred. You will not be entitled to any refund of premium, or any refund of an excess under any policy."

Starr has shown that the provider's tracking service wasn't activated on the tablet on 6 February 2025, shortly after Mr N made the claim. But it has shown that when Starr was reconsidering the claim on 17 March 2025, the tracking service was activated.

It's my understanding that what Starr says about the provider's tracking service is correct. This is, that the service can only be activated or deactivated from the device. So, Mr N wouldn't have been able to do this remotely by using his security details. And for this to be activated on the device, the user would need to use Mr N's security details to access the service.

Considering this, I don't think Starr has acted unfairly or unreasonably when it relied on the fraud exclusion in the circumstances. Mr N hasn't been able to provide a reasonable explanation how someone who was in possession of the device could access the tracking service by using his security details. Charging or switching on the device wouldn't change the tracking service status, unlike Mr N has suggested.

Whilst I don't think Starr acted fairly and reasonably when it first declined the claim, I don't think how it handled Mr N's claim in all the circumstances of his complaint was unfair or unreasonable. It reconsidered the claim when Mr N disputed its claim decision. And for the reasons I've explained in this decision, I think it acted fairly and reasonably when it declined the claim again, for the reasons it did.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 24 November 2025.

Renja Anderson
Ombudsman