

## **The complaint**

Mrs S complains about the settlement offered by Chubb European Group SE (Chubb) for a claim made under her mobile phone insurance policy.

## **What happened**

Mrs S took out a mobile phone insurance policy to cover her phone. The terms and conditions explained in the event of a claim:

*Your replacement will be the same or a similar specification to your old device, but it may be a different model or operating system.*

*If we don't have your device in stock and can't find a suitable replacement, your delivery will be made as soon as a suitable device is available.*

Mrs S made a claim following loss of her phone in April 2024. Mrs S was told her device wasn't in stock. Mrs S complained about the delay in replacing her device, and other claims handling issues. Chubb partly upheld Mrs S's complaint in May 2024 and paid £50 in recognition of the delay in sending Mrs S a replacement device.

Mrs S was sent a replacement device but she wasn't happy with it. Mrs S was sent another replacement device but also complained about this device heating up. In July 2024 Chubb upheld Mrs S's complaint in part and agreed to award £100 in recognition of Mrs S having to complain about the quality of replacement devices sent. Chubb said it would attempt to find another replacement device. But this request wasn't communicated properly internally and more time passed on the claim.

Mrs S discussed her claim with a Chubb adviser and was told she would be sent an upgraded device instead. Whilst this was being approved, a device matching Mrs S's lost device came back in stock. Mrs S was told she would receive this device instead of the upgraded device that was previously discussed.

Mrs S complained to Chubb a third time in November 2024. Mrs S said Chubb should send the upgraded device it promised in settlement of her claim. In response to Mrs S's complaint, Chubb agreed its service had been poor in respect of the communication and delay following Mrs S's complaint in July 2024. Chubb paid Mrs S £150 in recognition of this poor service. Chubb also said as Mrs S's device had come back in stock, it wouldn't be offering the upgraded device that had been discussed previously.

Unhappy with Chubb's response, Mrs S referred her complaint to this Service. Our Investigator looked at the complaint and said the replacement Chubb had sent reasonably met the terms of the policy, and the offers of compensation already paid were reasonable. Mrs S didn't agree, so the complaint has been passed to me.

## **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.

This decision has focused on the crux of Mrs S's complaint as addressed in Chubb's final response letters issued in July and November 2024. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

When we investigate a complaint about an insurer's decision on a claim, our role is to consider whether the insurer handled the claim in a fair and reasonable manner. So, I've considered the evidence to determine whether Chubb has acted fairly and reasonably when providing Mrs S with a replacement device in line with her policy. Having done so, I consider it has. I'll explain why.

The terms and conditions of Mrs S's policy say, '*Your replacement will be the same or a similar specification to your old device, but it may be a different model or operating system.*' There's no dispute about the replacement device being the same as Mrs S's lost phone. Mrs S's dispute centres around the Chubb's agreement to replace her device with an upgraded phone and subsequently failing to do this.

I recognise Mrs S's strength in feeling about Chubb giving her an upgraded device. And I understand Mrs S's frustrations after being told this wouldn't be honoured. But keeping in mind the policy terms and what it's designed to cover, I'm satisfied the replacement offered to Mrs S for her lost phone is fair.

I say this because although a Chubb representative told Mrs S that an upgraded device would be provided instead, whilst this request was being processed, a suitable replacement became available. I recognise this meant Chubb decided to replace Mrs S's device with the same model and operating system that she had before. By doing this, Chubb satisfied the policy terms and fulfilled the claim requirements in line with what we'd expect.

Mrs S was previously sent devices which had to be returned. And despite Chubb informing Mrs S that it would continue to find a suitable replacement, this instruction wasn't passed on in good time. So, Mrs S had to wait longer for a suitable replacement. I can appreciate the disappointment caused by this and think it's fair that Chubb pay compensation in recognition of this poor service, and the impact on Mrs S.

Chubb has paid Mrs S a total of £250 compensation to recognise the upset caused by Mrs S in its failure to properly manage her claim. This compensation recognises the inconvenience caused to Mrs S in having to return devices because of quality issues. It also recognises the delay caused in the claim after Chubb failed to proactively manage the claim following the final response letter issued in July 2024.

I'm persuaded £250 compensation fairly recognises the impact on Mrs S by what went wrong with the handling of the claim, but also that the outcome of the claim itself remains unchanged. My decision will disappoint Mrs S, but it ends our Service's involvement in trying to informally resolve this dispute between her and Chubb.

### **My final decision**

For the reasons explained, I won't be asking Chubb to do anything in settlement of Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 13 August 2025.

Neeta Karelia  
**Ombudsman**