

The complaint

Miss S has complained that Assurant General Insurance Limited unreasonably and unfairly refused to accept her claim for a lost or stolen mobile phone under her mobile phone policy.

What happened

Miss S insured her phone under this policy which is part of her packaged bank account. She said the phone was gifted to her by her sister with whom she also works. Her sister also pays for the SIM. Her sister explained to Assurant that she bought the phone under her business contract and that the SIM was part of a multiple phone contract that she holds. She also confirmed this phone was given by her as a gift to Miss S in 2024.

Miss S said her phone was stolen from her pocket around 1pm on 22 April 2025, when she was either on a train or at the train station. She reported the theft to the police. The 'Find my Device' was checked but the device was offline.

Assurant said that its policy here only covered account holders and the SIM and purchase of this phone wasn't in Miss S' name. Therefore it didn't accept her claim. It made no further claim validation checks. Miss S complained but as Assurant wouldn't change its stance she brought her complaint to us.

The investigator was of the view that Assurant hadn't properly investigated the ownership issue of Miss S' phone so she thought it should now properly investigate it before coming to its decision. She also thought the fact it didn't properly investigate the claim caused Miss S some trouble and upset for which it should pay her £100 compensation.

Assurant didn't agree so Miss S' 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 upholding this complaint along the same lines as the investigator. I'll now explain why.

The policy provided by Miss S' bank account details the key benefits as *'insures one phone on a sole account and two phones for a joint account.'*

The policy also says the following:

'To benefit from cover, the mobile phone must be owned by you, and be the responsibility of you, your partner or a dependent child.'

Under 'proof of ownership' it says the following:

*'We need to know that the mobile phone, SIM card and accessories you are claiming for are yours. Therefore you will need to provide **some form** [my emphasis] of proof of ownership.*

*...
Proof of ownership could include a till receipt or documentation from your airtime provider. If you don't have any proof of ownership we may decline your claim.'*

This type of wording is not uncommon in many mobile phone policies, however many of them also go on to discuss what proof is required when the phone is a gift from someone else. This policy doesn't do that.

However it's clear in English law that 'the intention to give' or 'donative intent' is one of three essential legal requirements for a transfer of property to qualify as a valid irrevocable gift. The other two are the delivery of the item by the donor and the acceptance by the donee. That then means the donee owns the article that has been gifted.

Gifting a phone to a near relative is not unusual practice either. Miss S' sister did provide written confirmation on 24 April 2025 that she gave this phone to her sister (Miss S) about a year previously. On the face of it this is fairly clear evidence, so like the investigator I would have expected Assurant to make further enquiries to satisfy itself if it still had concerns, which it hasn't done yet.

Miss S initially went to the trouble of ensuring Assurant were aware her sister gifted the phone and indeed was paying for the SIM under her business account with the network provider. I can understand any further concerns could be because Miss S also works for her sister so in normal employee relationships one would give back any such phone if you left the employment but I would expect Assurant to explore that with Miss S and her sister. It hasn't shown it has done this yet and I consider it needs to do so. This is because the policy as well as being silent on the issue of phones being gifted, it is also silent on saying the phone contract must be in the name of the policyholder too as the investigator explained.

So, I consider Assurant should reconsider the claim and make further enquiries to satisfy itself that Miss S does indeed own this phone given it was gifted to her by her sister. Like the investigator this complaint is upheld because I don't think Assurant has reasonably investigated the ownership issue given the law on gifts to conclude Miss S didn't own this phone. So this decision doesn't say that Assurant must accept this claim now, merely that it needs to complete its further investigations before making that decision. In other words I'm not persuaded its investigations to date show that Miss S wasn't gifted this phone as both she and her sister have said.

Given this lack of fully investigating this issue, like the investigator I consider that means compensation is payable to Miss S. Given the circumstances I consider the £100 suggested by the investigator is fair and in line with our approach to compensation which is more fully detailed on our website.

My final decision

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

I now require Assurant General Insurance Limited to do the following:

- Reconsider the claim against the remaining terms of the policy to include further investigation as regards the proof of ownership given the phone was gifted to Miss S

by her sister.

- Pay Miss S the sum of £100 compensation in view of the fact the claim was not accepted without Assurant completing its enquiries as regards Miss S' ownership of this phone.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 10 February 2026.

Rona Doyle
Ombudsman