

The complaint

Mr N has complained that Aviva Insurance Limited unreasonably refused to accept his claim under his mobile phone insurance policy after he lost his mobile phone.

What happened

Mr N bought a new mobile phone on 1 September 2024. He went abroad on holiday on 3 September 2024. He thought he would be able to set up his phone properly when he was abroad, but he said he had trouble finding a decent internet connection to do so. He had used the phone for at least one call consequently bypassing the set up scenario. And then he lost his phone, so he made a claim to Aviva. His mobile phone insurance policy is provided through Mr N's bank and underwritten by Aviva.

Aviva said that because Mr N hadn't set up the phone and activated all the security available on his phone to include the 'Find My Phone' security feature, this in turn meant that Mr N couldn't put his phone into 'lost mode.' Therefore on this basis Aviva refused to consider Mr N's claim.

As Aviva wouldn't change its stance Mr N brought his complaint to us. The investigator didn't think Aviva had done anything wrong so he didn't think Mr N's complaint should be upheld.

Mr N didn't agree so his 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 not upholding this complaint. I understand and appreciate that Mr N will be very disappointed, so I'll now explain why.

The salient term in the policy says the following under the heading 'Policy Conditions – What You need to Do':

'7. If Your Device has the functionality, activate any location finder app or software to help You in retrieving it. If your Device is lost or Stolen and the functionality is available, You must enable any locking or location-finding feature on Your Device. This may also enable You to lock and wipe the data stored on Your Device.'

'Do not attempt to retrieve Your Device if You believe it has been Stolen or if You are unfamiliar with the location. If You suspect it has been Stolen, report the theft to police.'

Later in the policy under 'How to File a Claim' it says the following:

'For Loss or Theft claims ONLY:

If Your Device has the functionality, activate any location finder app or software that may help You locate and retrieve the Device. If You think Your Device was Stolen, or are unfamiliar with the location of the Device, do not attempt to retrieve Your Device. If You think Your Device has been Stolen, report this to the police as described in the "Policy Conditions – What You Need To Do" section.'

Mr N is of the view that the wording 'if the functionality is available' means if it was *available* to him. He said it wasn't available to him because he couldn't access the internet in a stable fashion abroad.

I'm afraid it doesn't mean that at all. No insurer would insure any phone or other device on the basis of the availability of the internet to any policyholder to turn on the phone's security features. What the word 'available' means in the context of this clause, is solely that if the phone has these security features, (which given the make and model of Mr N's phone, these functions form the very core of its security of which the manufacturer remains very proud of too) then it's Mr N's duty under the policy to enable these security features properly. So that in the event the phone is lost or stolen, he could enable 'lost mode' which both locks the phone and permits its location to be tracked.

On buying this phone and Mr N taking the time and trouble to register the phone on the policy too, the policy quite simply requires Mr N to ensure all the phone's security features are properly enabled. This is because if the phone is lost or stolen it then increases the chance of finding it which of course from an insurance perspective helps to reduce the risk and indeed keep the premium lower. Furthermore the security features are aimed at deterring thieves from stealing it given the phone's tracking capacity when the security features are properly enabled.

Neither Aviva nor any other mobile phone insurer frankly cares whether access to the internet is specifically available to the policyholder or not when they buy a new phone. The decision to buy a new phone remains solely with the policyholder. Insurers don't insure devices on the basis each policyholder has a stable internet connection in order to set it up or indeed that the policyholder has the time to do so. So that concept would be irrelevant to Aviva and any other mobile phone insurer too. Simply put, if the policyholder wants to insure a phone with the level of the security that the phone Mr N chose to buy and insure had, then it is for the policyholder like Mr N here, to ensure he has the available internet connection and the time to enable the security features too. Once the policyholder has done that, then the policy can then respond to the claim provided all the other policy conditions are met too.

I appreciate Mr N said he was busy also ensuring his child with disabilities had everything they needed before Mr N went abroad, but essentially it still remained with Mr N only, to ensure his phone was properly set up so that his insurance policy could respond if his phone was lost or stolen.

I don't consider Aviva applied this clause unfairly to Mr N either. I don't consider that this clause is at all ambiguous or difficult to understand also. It's a standard clause in all mobile phone insurance policies, so I don't find it unusual or significant either. I would go as far as to say in addition, it could well come under the general duty on the policyholder to properly take care of their phone as well.

Mr N chose to buy this phone at the time he did, just before he went abroad. He also chose to bring it with him despite not having had the time to set it up properly and securely before he left. The policy simply doesn't respond to claims given the security features of the phone

Mr N chose to buy unless all of its security features are fully turned on and active. There is nothing wrong with the policy saying this or indeed Aviva then applying this term to all the claims it receives.

So on this basis I consider Aviva hasn't done anything wrong in refusing to consider Mr N's claim.

My final decision

So for these reasons, it's my final decision 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 11 December 2025.

Rona Doyle
Ombudsman