

## **The complaint**

Mr A complains about Lloyds Bank General Insurance Limited ("Lloyds") for its decision to decline his claim for a lost mobile phone. He wants Lloyds to accept and settle his claim.

## **What happened**

Mr A purchased home contents insurance from Lloyds in late October 2024.

The inception documents for this sale are not available, but it appears that Mr A purchased the insurance online.

It is not certain whether Mr A elected the additional 'Away from home' cover, but Lloyds' system shows a limit on 'Away from home' cover for Mr A of £2000. It therefore appears that Mr A did have this additional cover as part of his policy.

In early November 2024, Mr A purchased an iPhone 16 Promax. This was not registered with a SIM card and Mr A used it only on WiFi, in addition to his main mobile phone.

Mr A used the iPhone for investment purposes and for analysing financial markets. This was separate from Mr A's main occupation but was for the purposes of making trades and for generating income.

In late November 2024, Mr A took a flight back into the UK. When he disembarked the plane he realised that his iPhone was missing from his bag and pocket. He raised a query with the airport lost property and conducted a search which unfortunately did not find the phone.

As the iPhone had not been registered with a SIM, it was not assigned to a network and could not be blocked. It is unclear if Mr A was able to add the phone to any blacklist via the retailer.

Mr A submitted a claim to Lloyds. He had a long call with an agent to establish the circumstances of the loss.

During this call, Mr A referred to the iPhone as being used for work.

Lloyds assessed the claim and declined it. Lloyds relied on a general exclusion in the policy that said the policy would not cover claims that are the result of any employment, trade, business or profession. Mr A complained.

Lloyds sent its final response in January 2025. It maintained its decision to decline the claim but offered Mr A £50 compensation to reflect failings in the customer service he received. Mr A remained unhappy and contacted us.

One of our investigators looked into this matter and did not consider that the complaint should be upheld.

Mr A did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in respect of this matter in July 2025. In that provisional decision I set out that I did not consider that Lloyds' decision to decline the claim was unreasonable, and that I considered the compensation it had offered for the service failings was reasonable.

That provisional decision has been shared with the parties, and they have been invited to comment.

The business has responded saying that it has nothing further to add. Mr A has not responded.

### **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.

As no further evidence or arguments have been received in response to my provisional decision, I remain of the view set out in that decision. I adopt my provisional decision and reasoning as my final decision.

### **My final decision**

For the reasons set out in my provisional decision and above, I do not uphold Mr A's complaint and I do not ask Lloyds Bank General Insurance Limited to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 8 October 2025.

Laura Garvin-Smith  
**Ombudsman**