

## **The complaint**

Miss D and Mr H complained that the Equine and Livestock Insurance Company Limited (“ELICO”) unfairly declined the claim they made after their wedding venue was placed in administration.

## **What happened**

Miss D and Mr H booked their wedding. They bought wedding insurance from ELICO.

Unfortunately, shortly after they bought the policy, the venue went into administration. So Miss D and Mr H submitted a claim to ELICO for the costs they’d paid to date.

ELICO declined the claim, because they said the policy didn’t provide cover when a supplier went bankrupt or was liquidated within the first 14 days of the policy. They said that that the venue had gone into administration just over a week after Miss D and Mr H bought the policy.

Miss D and Mr H complained. They said the venue hadn’t gone bankrupt or was placed in liquidation – it had gone into administration, which is different. And they said that they’d not been advised about the administration until more than 14 days after they bought the policy. So they said the claim should be paid. ELICO didn’t change their decision. So Miss D and Mr H brought their complaint to the Financial Ombudsman Service.

Our investigator reviewed the information provided by both parties and concluded ELICO didn’t need to do any more to resolve the complaint. He noted that, strictly speaking, the policy didn’t cover administration – only bankruptcy and liquidation. But, having considered the claim, it was reasonable for them to decline it on the basis of the 14 day exclusion because it was the incident giving rise to the claim, not when Miss D and Mr H became aware of it, that was used to calculate the 14 day period.

Miss D and Mr H didn’t agree with our investigator’s view. So the matter’s been passed to me to make a decision.

## **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 that, I’m not upholding Miss D’s and Mr H’s complaint. I know this will be a disappointment to them and I’m sorry about that. I hope it will help if I explain the reasons for my decision.

My role is to decide whether ELICO have dealt fairly and reasonably with Miss D’s and Mr H’s claim. The starting point for that consideration is the policy terms.

The policy does provide cover in circumstances where the venue can’t hold the event because:

*“the venue operator goes bankrupt or into liquidation”*

But it excludes:

*“Any incident giving rise to a claim occurring within 14 days of start of your policy due to the bankruptcy, liquidation, or failure to meet contractual obligations of any prebooked supplier.”*

Miss D and Mr H have said that administration isn't the same as bankruptcy or liquidation. I agree. But the policy also sets out in the section *“What is never covered?”* that it doesn't cover:

*“Any losses which are not expressly covered by the terms and conditions of this policy.”*

To distinguish administration as Miss D and Mr H suggest would mean that they didn't have cover. I think it was fairer to do what ELICO did, and treat the administration as they would a bankruptcy or liquidation. So I've considered the claim in relation to the terms and exclusions set out above.

Having done that, I agree with our investigator that the key to deciding whether ELICO have acted fairly is to consider the exclusion. It's clear from reading that that the relevant date is the date of the *“incident giving rise to a claim”* – not the date Miss D and Mr H found out what had happened.

Miss D's and Mr H's policy documentation shows the policy started on 24 January. The incident giving rise to the claim was the venue entering administration. That happened on 31 January. So the event occurred within 14 days of the policy start date. And that means it was fair for ELICO to apply the exclusion.

I've also noted that Miss D and Mr H complained that ELICO cancelled their policy after they declined the claim, but before the complaint process was complete. I understand from what I've read they were concerned that cancellation would impact their ability to bring a complaint. As our investigator advised them, a policy doesn't have to be active for a customer to bring a complaint about it – so they weren't disadvantaged by the cancellation. But I don't think it was unreasonable for ELICO to cancel, because Miss D and Mr H didn't want to amend it to cover their new arrangements and so hadn't provided the details ELICO would have needed for cover to continue.

I do recognise that having their wedding arrangements changed without warning will have caused distress to Miss D and Mr H, as well as having a financial impact. I can see they've sent us correspondence from the administrators, who told them they would provide a claim form so they could submit a claim in the administration. I hope that process is underway and they will recover at least some of what they paid.

But, as I've explained, I don't think ELICO acted unfairly in how they dealt with their claim. So I don't think they need to do any more to resolve Miss D's and Mr H's complaint.

### **My final decision**

For the reasons I've explained, I'm not upholding Miss D's and Mr H's complaint about the Equine and Livestock Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D and Mr H to accept or reject my decision before 14 November 2025.

Helen Stacey

**Ombudsman**