

## **The complaint**

Ms A has complained that Chubb European Group SE unreasonably refused to repair her new mobile phone and instead provided her with a refurbished mobile phone. She also complained that Chubb appeared to know her password with her network provider.

## **What happened**

Ms A bought a mobile phone under a 24 month contract with her network provider. She paid £247.58 upfront and then £88.20 per month. Additionally, she paid £14.00 per month for the policy with Chubb along with a further £13.00 per month for an additional SIM.

In January 2025, she noticed a problem with the protective film on the mobile phone screen as it was bubbling. She called Chubb who told her to go to one of her network provider's shops to see if they could fix it. They couldn't. That shop recommended she go to one of the shops of the phone manufacturers, which she did.

The phone manufacturer shop said the protective screen film was held in place by a tiny clamp which was missing. The clamp connects to the frame, and the frame connects to the battery, so effectively all three would need replacing which would cost £517.00.

Ms A said she told Chubb she would prefer to have her phone repaired. However, Ms A said Chubb insisted on replacing her phone instead of paying the £517.00. She had to exchange her own phone for the replacement phone. Then she realised the new phone wasn't a brand new phone, it was a refurbished phone instead.

Ms A was of the view that the internal parts of this refurbished phone were older than her original model phone and now she has to continue paying her 24 month mobile phone contract for an inferior phone until May 2026.

Ms A said that her network provider and Chubb seem to be all the one company with interchangeable divisions with her network provider selling new phones and Chubb then insuring new phones. And then in the event of a claim, they provide refurbished phones instead, and they also sell refurbished phones too. So, Ms A felt that her network provider and Chubb effectively wiped off £1,200 from her phone which she is paying under her network provider contract, which she believes is unfair.

Given the interchangeable nature of her network provider and Chubb she also feels they collectively had unfettered access to her data. Ms A claimed that Chubb knew what her network provider password was which deeply upset Ms A as she was of the view that Chubb ought not to have been aware of this. Ms A also claimed that when Chubb was about to issue her with its final response letter, it again knew what her password was and asked her whether she wanted to keep that password to open her final response letter or whether she wanted to create a new one.

Ms A felt that Chubb should pay off the entire balance of her network contract, refund the £120 excess fee and provide her with a new phone of the same model as she originally

bought, not a refurbished model.

Following Ms A's complaint, Chubb didn't uphold it. It said in its final response letter of 13 February 2025, when Ms A first made her claim, its adviser correctly told her she would have to pay an excess. This was explained in her policy documentation also. It also explained that the policy clearly detailed that replacement phones may be refurbished, but it will be the same or a similar specification to the original device. It said that the policy explained the damaged device has to be returned to Chubb following a successful claim. It further explained its repair options are subject to specific eligibility criteria, and her claim didn't meet the eligibility criteria as it wasn't thought her phone could be repaired safely. It wouldn't comment on the fact she was sent to the manufacturer's shop either but has provided feedback to the adviser who told her to do this.

Ms A remained dissatisfied and brought her complaint to us. The investigator was of the view that it shouldn't be upheld since Chubb adhered to the terms and conditions of the policy in dealing with Ms A's claim. She felt the issues with the passwords which Ms A had complained about were simply normal security check questions.

Ms A didn't agree so her 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 appreciate and understand Ms A will be very disappointed, so I'll now explain why.

The starting point is the content of the terms of the policy Ms A chose to buy when she bought her new phone.

The cover start date is stated to be 30 April 2024 when Chubb sent Ms A her 'confirmation of cover' which is the same sort of thing as an insurance schedule along with the Insurance Product Information Document (IPID) and the policy terms. There also hasn't been any dispute from Ms A that these documents weren't sent to her on 30 April 2024.

It is always incumbent on the policyholder to read their policy documents on receipt, to ensure all the facts stated are correct and indeed that the policy terms suit their needs. And the policyholder can always cancel the policy within 14 days of the start date for a full refund provided no claims have been made. This is standard across almost all insurance policies which is why the policyholder should read their policy documents. And of course why insurers are duty bound to send the policyholder the policy documents or make the policyholder aware of where they can be viewed online.

In the confirmation of cover it clearly says the following:

*'Providing your claim is successful, there will be an excess of £120 to have your device replaced.'*

Further down in this document under 'terms and conditions' in smaller print it says:

*'Next day refurbished replacement: Geographical restrictions, bank holidays and exceptional circumstances apply.'*

In the IPID it says under 'what is insured':

*'Replacement of your mobile phone or connected device if it is damaged accidentally by you or by someone you've allowed to use your device.'*

And in the IPID it says:

*'How do I cancel the contract?'*

*'You can cancel this policy within 14 days of getting your policy documents. We'll give you a full refund unless you've made any claims.'*

The policy start date was April 2024. In the policy document it says the following:

***'PAYMENTS YOU MAKE WHEN YOU CLAIM***

*For each successful claim you make, you'll need to pay an excess. ... You can find the amount in your 'Confirmation of Your Insurance Cover' document.*

...

***WHAT THIS POLICY COVERS  
IF YOUR DEVICE IS DAMAGED BY ACCIDENT***

***What's covered***

*If your device is damaged accidentally by you, someone other than you, or by someone you've allowed to use your device, we'll give you a replacement one.*

...

***Your replacement device***

*Your replacement device may be refurbished, but we test each one to make sure they're fully working. Your replacement will be the same or a similar specification to your old device, but it may be a different model or operating system.*

...

*Your replacement device will come with a warranty from [the network provider] for either the time period of what's left of the manufacturer's warranty, from the original device, or 30-day warranty, whichever is the longer. The replacement device will still be insured until your cover ends.*

...

***Delivering your replacement***

*If you've made a claim for a damaged device, that damaged device will need to be returned as part of a successful claim and will become the legal property of [the network provider] or their appointed subcontractors. For damage claims we'll collect the device when we deliver your replacement. You must be ready to exchange your damaged device when the courier arrives and be able to follow any special instructions from our courier.'*

Whilst Ms A is very clear she thought she was insuring her phone for a replacement new phone, there is nothing in the policy document which confirms this. I consider had Ms A read her policy documents fully when they were sent to her, she would have seen what this policy offered, quite clearly.

Mobile phone insurers across the market don't provide new phones as the replacement phones. In virtually all of the mobile phone policies available as far as I'm aware, the insurer provides a refurbished phone of the same make and model of the phone the policyholder

insured. So I don't find this unusual or significant. Further it's clearly detailed on both the IPID and the policy document itself.

The policy is also clear that for any claim, an excess is also payable which in Ms A's case was £120.00. The payment of an excess by the policyholder forms the basis of any insurance contract so that for every claim made some excess is always payable too. On this basis I consider that Chubb did nothing wrong with providing Ms A with a refurbished phone as the terms of the policy provides it can do this. The policy terms also ensures it is Chubb which makes the claims decision, not Ms A. Most insurance policies insuring anything will generally have this clause where it's the insurer who can only make the claims decision. So I don't find this unusual or significant either.

It was also entirely Ms A's choice to take out this mobile phone policy for her new phone. There is no legal requirement to insure one's mobile phone, unlike the legal requirement to insure a car.

This service can't tell any insurer what it must cover or the way it must cover it, we simply have no authority to do that as we don't regulate insurers, only the Financial Conduct Authority (FCA) does that. Under those regulations of the FCA, insurers are commercial businesses, and they can decide for themselves what they wish to insure and also how they will deal with any claim. These policies are sold on what is called in insurance terms 'a non-advised' basis. This means the only duty of the insurer is to ensure the policyholder has access to all the policy documentation which I'm clear Chubb did here, given it sent the confirmation of cover, the IPID and the full policy terms to Ms A in April 2024. Otherwise there is no duty on Chubb to provide any advice on whether this policy would suit the needs of any potential policyholder. That is for Ms A to work out for herself on reading the provisions of the cover provided.

I don't consider it was wrong of either the network provider or Chubb to require Ms A to pass the usual security information questions by requiring her to give x or y characters of her password. This is standard data protection and is actually used for Ms A's benefit as it clarifies that the adviser (whether that was the network provider's insurance dept or indeed someone from Chubb) is actually talking to Ms A and not someone pretending to be her. In any event Ms A couldn't answer the questions about the characters of her password and she passed security on another basis. If Ms A remains dissatisfied with the data issue then she must make a complaint to the Information Commissioner's Office as that is the entity charged with dealing with data protection complaints rather than this service.

In conclusion, I don't consider Chubb did anything wrong here, as it replaced Ms A's phone in accordance with the policy terms and conditions.

### **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 Ms A to accept or reject my decision before 7 January 2026.

Rona Doyle  
**Ombudsman**