

## **The complaint**

Mr C complains AmTrust Specialty Limited has unfairly declined a claim he's made on his Premier building guarantee.

At the time of the event Mr C complains of, AmTrust Speciality Limited was known under its previous registered company name, AmTrust Europe Limited. For ease, I'll refer to it as "AmTrust" throughout.

## **What happened**

AmTrust is the underwriter of this policy, i.e. it's the insurer. Part of this complaint concerns the actions of its agents for which AmTrust has accepted responsibility. Any reference to AmTrust includes the actions of its agents.

AmTrust says Mr C made several claims on the policy for the same issue. For ease of reading, I've just referred to these as "the claim".

The background to this complaint is well known to the parties so I've only provided a brief summary here.

- Mr C purchased a new build property in February 2022 which had the benefit of a Premier building guarantee underwritten by AmTrust.
- In October 2023, during a period of wind and rain Mr C said water came through the ceiling of his property and caused damage. Mr C reported this to the developer at that time. But he says the developer went into administration and so it didn't resolve the issue
- Subsequent to this, Mr C reported the problem to AmTrust in late September 2024. He made a claim on the policy. But AmTrust declined the claim as it said Mr B had notified it of the damage outside the required time period.
- Mr C made a complaint in March 2025. In response to this, AmTrust acknowledged Mr C had reported the problem to the developer within the required period but said he had failed to report it to AmTrust in time. So it maintained the claim decline.
- Mr C raised a complaint with this Service. Our Investigator considered things and decided not to uphold the complaint as he said the claim had been made during the Structural Insurance period but discovered during the Defects Insurance period so wasn't covered by the guarantee. Mr C disagreed and asked an Ombudsman 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.

I was sorry to hear of the impact of the claim on Mr C. I wanted to explain in advance, my

decision may sound rather dispassionate and business-like. I mean no disrespect by this, it's simply as a result of the unbiased nature of the review I must undertake to reach my decision.

The building guarantee at the heart of this complaint provides two periods of cover relevant to this complaint. These are:

- The Defects Insurance Period 3.2 which ran from 15 February 2022 to 15 February 2024.
- The Structural Insurance Period 3.3 which ran from 15 February 2024 to 15 February 2032.

The policy terms provide details of the notification requirements when making claims on the guarantee during the Defects Insurance period:

*“3.2.1 The underwriter will indemnify the Policyholder during the Defects Insurance Period against the cost of repairing, replacing or rectifying any Defect and resultant damage to the Home for which the Developer is responsible and which:*

*a) is discovered and notified in writing to the Developer during the Defects Insurance Period; and*

*b) is notified in writing to the Scheme Administrator no later than 6 months after the expiry of the Defects Insurance Period”.*

In this case, the damage was discovered in October 2023, within the Defects Insurance period. So, Mr C would have needed to notify Amtrust of the damage within six months of 15 February 2024, so, by 15 August 2024. But it wasn't reported to AmTrust until late September 2024 which is self-evidently outside the required time period.

Mr C says the policy directs the policyholder to report the damage to the developer in the first instance, which he did. But I don't agree the requirement above says this. In my view, it's clear that the damage needs to be notified to the Developer *and* AmTrust. And the notification to AmTrust needs to be made, in writing no later than six months after the end of the Defects Insurance period and there's nothing about the order in which the two notifications need to be made.

I know Mr C says the terms of the policy have been applied strictly and shouldn't be. So I've thought about whether the delayed notification prejudiced AmTrust's position. In this case, the delay between discovery and notification to AmTrust was considerable, in the region of a year. An ingress of water will rarely fix itself and, in my experience, tends to worsen over time if left unresolved. So, it's clear to me the opportunity for AmTrust to intervene and try to resolve matters in a way it saw fit was most likely prejudiced. So, I'm satisfied it was fair for AmTrust to say the notification requirement hadn't been met.

For the reasons I've explained above, I'm satisfied AmTrust's decline of the claim under this part of the policy was fair and in line with the policy terms.

For completeness, I've then gone on to consider the Structural Insurance part of the policy. The policy terms for this say:

*“3.3.1 The Underwriter will indemnify the Policyholder against all claims discovered and notified to the scheme Administrator during the Structural Insurance Period...”.*

So, for a claim to be covered under this part of the policy, the damage would need to have been discovered during the period from 15 February 2024 to 15 February 2032., And as I've explained above, it was discovered outside this period, in October 2023. So, it isn't covered by this part of the policy either.

My role requires me to reach a decision which I consider fair and reasonable - to both parties to the complaint - in all the circumstances. I realise this will be disappointing for Mr C, but for the reasons I've explained above, it wouldn't be fair or reasonable for me to direct AmTrust to accept the claim. So, I won't be asking it to do anymore.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 January 2026.

Paul Phillips  
**Ombudsman**