

The complaint

Mr A has complained that Telefonica Seguros y Reaseguros Compania Aseguradora S.A.U. (Telefonica) unfairly declined a claim under his mobile phone policy.

What happened

Mr A made a claim for a phone he lost on public transport. Telefonica asked Mr A to provide further information and documents, such as to show his proof of his phone usage, the phone had been barred and that he had taken steps to recover the phone. When Mr A provided proof of usage, Telefonica said it didn't include the required information. Mr A then provided a further proof of usage document. When Telefonica assessed this, it was unable to confirm it had been provided by the mobile network. It also had concerns about the documents format, presentation and the software used to create it. Telefonica told Mr A the claim would be rejected on the basis of fraud.

Mr A complained to Telefonica. He was concerned by the delays in dealing with his claim, the requests for additional information and that his claim was declined. When Telefonica replied to the complaint, it said it was entitled to validate claims. Mr A's claim had required further assessment. It apologised if Mr A thought this had caused unnecessary delays. It described the timeline for the claim and the documents requested. It said it declined the claim because of its concerns about whether the proof of usage document was genuine. It confirmed this remained its position. It said the mobile phone bills and premiums were an agreement to ensure the continuation of the insurance policy and network contract.

When Mr A complained to this Service, our Investigator didn't uphold the complaint. She said the policy explained Telefonica might ask for information to support a claim. She said it was reasonable to ask Mr A for further evidence to validate the claim. It was also normal for an insurer to ask for evidence of the last time a mobile phone was used. There was also evidence that Mr A's SIM card was being used in a different phone. This further supported that it was reasonable for Telefonica to ask for proof of usage for the claimed for device. She said the proof of usage evidence provided by Mr A showed some inconsistencies. She said it was reasonable for Telefonica to decline the claim. She said the policy terms and conditions also explained that Mr A was responsible for billing costs, so she couldn't ask Telefonica to take different action around the payments still required for the mobile phone.

As Mr A didn't agree, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

I've looked at the policy terms and conditions. These said:

“When We are notified of Your Claim We may decide to require You to complete a Claim Form or Accidental Loss Declaration Form in order to provide Us with all the detail We need to assess Your Claim. We will send this to You and You will need to complete it and send it back to Us within 30 days from the day on which You received it. We will be entitled to request any further evidence reasonably required by Us to validate the information You provide to Us.”

So, this explained that Telefonica might require a policyholder to provide more information to validate the claim. I don't think this is unusual.

I've looked at what information Telefonica asked Mr A to provide. Telefonica asked Mr A to report his phone lost on a particular website and asked for the certificate to show this had been done. It also asked for proof of travel and evidence that the device had been reported lost to the transport provider. It also asked for evidence that the device had been barred and to show the device had been put into lost mode, along with proof of usage for the device from the network provider. I think all these requests were reasonable to support the claim made by Mr A.

I've then looked more specifically at the proof of usage, as this seemed to be the main cause of Telefonica's concern about the claim. Mr A initially provided a proof of usage document for a device with a different IMEI than the device he was claiming for. Mr A then provided two further proof of usage documents. These were for the device claim for, but didn't show any usage. Telefonica then asked Mr A to confirm what network the SIM in the phone was on. Mr A said it was a SIM for a non-UK network. Mr A was asked to provide a proof of usage for that network, but didn't do so. I note Telefonica also carried out checks and found that Mr A's phone number had been in use with a different phone than the one claimed for up until the date on which he reported his phone lost. It also found no evidence Mr A's phone number had been used with the claimed for device.

Mr A then provided a proof of usage document that was for the device he was claiming for. This was written as though it was provided by a particular UK mobile network company and said the phone had been used on that network between 8 March and 2 May 2025. Telefonica assessed this document and found several issues with it, including when compared to a genuine proof of usage document from the same mobile network. Looking at the issues Telefonica identified, I think it was reasonable for it to decide it wasn't a genuine proof of usage document created by the mobile network.

Telefonica told Mr A it was rejecting the claim on fraud grounds. This was because he had sent a document that had been modified to appear to be a proof of usage from a particular mobile network, when this wasn't the case. It said the information provided was false or misleading. Looking at the policy terms and conditions, this said:

“If You make a fraudulent Claim or we reasonably suspect fraud, We will not be liable to pay the Claim...”

So, based on everything I've seen, I think it was reasonable that Telefonica suspected fraud and that it rejected the claim on that basis. However, I'm aware Mr A has told this Service he is still trying to obtain proof of usage for his phone. This decision doesn't prevent Mr A from providing that information to Telefonica if he wishes to do so.

Mr A was also concerned about the time it took Telefonica to assess his claim. I've looked at the claim history and can see that Telefonica continued to try and progress the claim and at each stage explained what was required from Mr A. Telefonica was entitled to validate the claim and to continue to request the documents where they weren't provided or what was

provided didn't include the required information. I didn't find any unnecessary delays by Telefonica in dealing with the claim.

Mr A was also concerned that he was still paying the network charges for the claimed for device, as well as to insure it.

I'm mindful that Mr A didn't provide Telefonica with evidence to show he had a valid claim for a lost phone. When it replied to the complaint Telefonica said:

"I must advise that your bill and premiums are an agreement to ensure the continuation of your insurance policy and network contract."

Looking at the policy terms and conditions, these said a billing agreement was:

"Your agreement with [the mobile network provider] which sets out the terms of the purchase by You of Your Equipment and or the provision of airtime by [the mobile network provider] for your Equipment."

It also explained that:

"Billing Agreements

You are responsible at all times for all costs associated with keeping Your Equipment fully operational including line rental, prepay vouchers and call costs payable pursuant to Your Billing Agreement."

So, this explained that the billing agreement for equipment and airtime was with the mobile phone network, which was a different company to the insurer, and that a policyholder was responsible for those costs. So, Mr A would need to discuss any billing agreement concerns with the network provider. In terms of the insurance premiums, the policy booklet explained how to cancel the policy if Mr A no longer required it. I leave it to Mr A to consider the policy terms and conditions and to decide what steps he wishes to take, if any, to cancel his policy.

Having looked at what happened, I don't uphold this complaint or require Telefonica to do anything else in relation to it. I think it was reasonable that Telefonica declined the claim.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 30 December 2025.

Louise O'Sullivan
Ombudsman