

The complaint

Miss B complains about the way Assurant General Insurance Limited settled a claim she made under her mobile phone insurance policy.

What happened

The circumstances of this complaint aren't in dispute, so I'll summarise the main points:

- Miss B got in touch with Assurant to make a claim for her damaged mobile phone. Assurant accepted the claim and settled it by replacing the phone.
- Miss B decided to sell the replacement phone to C, an online marketplace. C received the phone around two weeks after Assurant sent it to Miss B. C said the phone was listed as stolen and retained it, without paying Miss B for it.
- Assurant said it hadn't listed the phone as stolen, and it wasn't listed as stolen when Assurant sent it to Miss B – it had only become listed as stolen two weeks later, once it was sent to C. Assurant gave Miss B a 'proof of exchange' to confirm she genuinely owned the phone.
- Miss B didn't think this went far enough to put things right. She said Assurant should have carried out checks to establish a legitimate and uninterrupted transfer of ownership, before sending the phone to her.
- Our investigator thought Assurant had acted unfairly. He said it should ensure Miss B had a replacement phone – either by providing a further replacement, or arranging for the existing replacement to be returned to her by C.
- Assurant didn't think this was a fair outcome. It said it bought the replacement phone in 2024 and, at that time, carried out checks on it to ensure it wasn't listed as stolen or was otherwise unsuitable to provide to its policyholders. It passed those checks.
- Miss B accepted our investigator's proposed outcome, although she said she would prefer a cash settlement to a further replacement phone.
- As an agreement wasn't reached, the complaint has been passed to me.

my provisional decision

I recently issued a provisional decision in which I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

- The policy covers the phone for certain damage, up to a policy limit and subject to a policy excess. Assurant accepted the damage was covered by the policy. And that it couldn't be economically repaired. So that's not in dispute.
- Where a phone can't be repaired, the policy says Assurant will replace it, though it may not be a brand new phone and it may not be the same colour as the damaged phone. Miss B hasn't disputed the make, model or specification of the replacement, so that's not in dispute. She's noted the phone was a different colour to the damaged one, but that's not been the focus of the complaint. And the policy is clear that a replacement may not be the same colour.
- The dispute has arisen because Miss B no longer has the phone, or the financial equivalent, as it was retained by C because it was listed as stolen. Miss B doesn't think that amounts to a fair settlement under the policy. I can appreciate why she thinks that, given the position she's found herself in, and through no fault of her own.
- But I'm not satisfied she's in that position because Assurant has acted unfairly. And, unless I think Assurant has acted unfairly, I can't uphold the complaint and require it to take further action. I'll explain my reasoning.
- Assurant considers it fulfilled the policy terms when it replaced Miss B's phone. It's shown the phone wasn't listed as stolen at that time. It doesn't consider it should effectively be held responsible for a third party later listing the phone as stolen after Assurant sent it to Miss B.
- Assurant has shown it bought the phone in 2024. It said it carried out checks on the phone at this time and it passed. It also said it carried out checks when it was replaced in 2025 and, again, the phone passed. I'm satisfied it's likely Assurant has carried out reasonable checks to ensure the phone was suitable as a replacement. I note the phone wasn't listed as stolen until two weeks after it was replaced by Assurant. So I think it's unlikely any checks could have avoided that happening.
- Miss B has provided evidence which says a third party has owned the phone since 2022 and reported it as stolen in 2025. Despite her sharing Assurant's 'proof of exchange' document to show she genuinely owned it, she's been told the phone will remain listed as stolen until a clear, traceable chain of ownership back to the third party is shown. She says Assurant should have done more to ensure the replacement phone was suitable for her, including establishing a legitimate and uninterrupted transfer of ownership.
- I've seen evidence to show Assurant bought the phone from a reputable and credible source. And I'm persuaded it carried out reasonable checks on the phone at the relevant times, which passed. In these circumstances, I wouldn't expect it to go further and establish a chain of ownership as Miss B has suggested. I don't think Assurant had any reason to consider the phone may not be a suitable replacement or may need further investigation.
- In short, I'm satisfied Assurant took reasonable steps to provide Miss B with a suitable replacement. And that means it fulfilled the terms of the policy.
- A problem arose after the phone was sent to C and reported stolen by the third party. But I don't think I can reasonably hold Assurant for this problem or the parties involved. Assurant took steps to help Miss B show she genuinely owned the phone, which I think was reasonable in the circumstances.

- Overall, I'm satisfied Assurant acted fairly and reasonably, so it doesn't need to take any further action.

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.

- Assurant responded to my provisional decision to say it had nothing more to add.
- Miss B responded to make a number of points. I won't set out each one individually and respond to it specifically – I'll focus on the points I consider key when reaching and explaining my decision. But I can assure Miss B I've read and taken into account all the points she's made.
- Miss B noted that when Assurant provided a replacement phone, the Consumer Rights Act applied. The Act required Assurant to ensure the phone was, amongst other things, of satisfactory quality and fit for purpose. As it became listed as stolen soon after replacement, which meant Miss B didn't have access to it and couldn't use it, Miss B says the replacement phone didn't meet these requirements.
- As a result, even if Assurant carried out reasonable checks and couldn't have foreseen what would happen next, it nonetheless had a responsibility under the Act. In short, Miss B says Assurant should have done more to resolve the issue once it arose, I think with a view to having the phone released to her or providing another.
- I've thought about the points Miss B has made, but I haven't been persuaded to change my mind. I'll explain why.
- For the reasons given in my provisional decision, I'm satisfied Assurant acted fairly when it provided the replacement phone. That's because I consider it bought the phone from a reliable source and carried out reasonable checks, on receipt and on replacement. That made the phone a reasonable replacement in my view.
- Had the source been less reputable, I may have thought it fair for Assurant to take more steps to ensure the phone was a reasonable replacement. But that's not relevant here as I consider the source is reputable and the checks were reasonable and proportionate in that context. There isn't more I can add to this for Miss B.
- Assurant has done more than simply say it carried out reasonable checks. I'm satisfied by the evidence it's provided that both sets of checks were likely carried out, and passed. So, again, there isn't more I can usefully add to this for Miss B.
- I note Miss B's points about the responsibility Assurant had under the Act. If Assurant, at the point it replaced the phone, hadn't met those responsibilities, I may have thought Assurant had acted unfairly. If, for example, it hadn't carried out reasonable checks. Or the phone didn't function as it should. But I'm satisfied it did meet its responsibilities under the Act, at the point it replaced the phone. That something unforeseen later had an impact doesn't mean Assurant acted unfairly when providing the replacement.

- Once the problem arose, Assurant provided Miss B with a 'proof of exchange' to confirm she genuinely owned the phone. I'm satisfied that was a reasonable step to support her and try to resolve the problem.
- Assurant isn't responsible for any of the other parties involved in this matter. Its responsibility is to treat Miss B fairly and reasonably, bearing in mind the terms of the insurance policy and the Act. I'm satisfied it's done that. I don't think I can fairly hold it responsible for the actions of other parties, over which it has no control, and in relation to actions which occurred after the phone was replaced and which couldn't have been foreseen when the phone was replaced.
- Clearly this leaves Miss B in an unsatisfactory position. She made a successful claim, but two weeks later, had neither the phone or its equivalent value, and through no fault of her own. So I can appreciate why she may feel strongly about the matter. But, as I noted in my provisional decision, unless I think Assurant has acted unfairly, I can't uphold the complaint and require it to take further action. And I don't have the power to consider any of the other parties involved in this matter.
- For the reasons given above, I remain satisfied Assurant acted fairly and reasonably, so it doesn't need to take any further action.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 10 December 2025.

James Neville
Ombudsman