

The complaint

Mr M complains about the way AmTrust Specialty Limited (AmTrust) has handled the claim he made under his income protection insurance policy.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events.

Mr M held an income protection policy which was provided by AmTrust. He was unfortunately made redundant and so submitted a claim under his policy. AmTrust asked for information from Mr M to support his claim, which included a number of bank statements.

Mr M provided AmTrust with information but said he wouldn't provide his bank statements as he believed this request was excessive. He subsequently raised a complaint about the way his claim was being handled, and believed he had been discriminated against by AmTrust.

In the meantime, AmTrust made the decision to accept Mr M's claim without him having to provide the bank statements it had requested. It said as Mr M's policy had a 60 day excess period, he would start accruing benefit from 29 November 2024 meaning the first payment would be due from 29 December 2024.

Mr M was unhappy AmTrust had said the excess period began when he stopped receiving payment in lieu of notice (PILON) rather than the date of his redundancy.

On 1 November 2024 AmTrust issued Mr M with a final response to his complaint. It said it believed a correct and fair outcome had been provided to Mr M and so didn't uphold his complaint. Mr M referred his complaint to this Service.

Our Investigator looked into things but didn't uphold Mr M's complaint. Mr M didn't agree with our Investigator and so the 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.

I want to acknowledge I've summarised Mr M's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no courtesy by this, but it simply reflects the informal nature of this Service. I assure Mr M and AmTrust I've read and considered everything that's been provided.

I also want to be clear about what I've considered as part of this decision. I've considered the events which have taken place up until AmTrust's final response of 1 November 2025. I'm aware Mr M has raised a separate complaint with the business responsible for selling him his policy. I won't be commenting on this as part of this decision. I've addressed the key points separately.

As part of this decision I've taken into consideration relevant law, best practice and industry rules as well as what I think is fair and reasonable in all of the circumstances.

Claim outcome

AmTrust wrote to Mr M on 30 September 2024 to make him aware it had accepted his claim. It said Mr M had an excess period of 60 days which would begin in September 2024 as this is when Mr M stopped receiving PILON. So, I've considered whether I think this was reasonable.

The terms of Mr M's policy explain AmTrust will provide benefit if Mr M becomes unemployed during the period of cover.

'Unemployed' is defined in the policy as:

'You are without work due to your employment ending unexpectedly and due to circumstances beyond your control. You must be:

- ...
- *Not in receipt of payment in lieu of notice, including any compensation payment for loss of employment or payment received under a settlement agreement.'*

The policy terms also state.

'What is not covered

- o. *Claims for any period where you are in receipt of, or are entitled to, payment in lieu of notice, even if that payment forms part of a settlement or settlement agreement between you and your employer.*

Mr M's policy schedule shows he has an excess period of 60 days. This means Mr M would receive benefit if he was unemployed for 60 consecutive days.

Based on the evidence provided, I'm satisfied it was reasonable for AmTrust to conclude Mr M was in receipt of PILON until September 2024. So, it was also reasonable for it to conclude the 60 day excess period began from this point. Under the terms of Mr M's policy, he didn't meet the definition of unemployed until he stopped receiving PILON.

I acknowledge Mr M has said this wasn't what he agreed to when he purchased his policy, and AmTrust has since reduced the excess period to 30 days following his complaint with the business responsible for selling him his policy. However, this doesn't form part of this decision about AmTrust and so I can't comment on this.

Based on the evidence provided, I'm satisfied AmTrust fairly applied the terms of Mr M's policy in relation to the PILON and excess period.

Claim handling

Mr M has said during his claim AmTrust made a number of unreasonable demands, which included requesting excessive paperwork which caused delays. He was unhappy he was asked for a number of bank statements to support his claim.

The terms of Mr M's policy explain that in the event of a claim, he will be asked for supporting evidence which may include bank statements. I can see AmTrust explained it

required statements to validate income and identify any potential other sources of income an insured may be receiving.

I think AmTrust has provided a reasonable explanation of why it requested bank statements as part of its investigation into Mr M's claim. So, I don't think it was unreasonable to request this in line with the terms of his policy. In any event, it has taken into consideration Mr M's concerns about providing his bank statements and has accepted his claim without him needing to provide this. Overall, I'm not persuaded AmTrust's requests for information were unreasonable, nor caused any unreasonable delays.

Mr M has said AmTrust initially declined his claim unfairly by suggesting he was aware he may be made redundant when he purchased his policy.

AmTrust uses a business called ClaimsCog to handle claims made under its income protection insurance policies. I can see when validating the claim, ClaimsCog believed Mr M may have been aware he could be made redundant when he purchased his policy and recommended to AmTrust the claim be declined, but this decision was ultimately for AmTrust to make.

I can see evidence Mr M had discussions with AmTrust about this, and following these discussions AmTrust made the decision to accept Mr M's claim. As an insurer AmTrust are entitled to validate claims and I don't think it was unreasonable for it to explore whether Mr M was aware he may be made redundant when he purchased his policy. This was ultimately relevant to whether Mr M's claim could be accepted or not. Whilst I acknowledge Mr M found this distressing, and was concerned his claim may be declined, I don't think this was due to an error by AmTrust.

Mr M has said confusion was caused because AmTrust used the same handler as a separate business he had also raised a complaint about. AmTrust has said it felt it was best in the circumstances to have one individual deal with the matter. I can see Mr M was in regular contact with AmTrust and having multiple different handlers involved would likely have caused further confusion. So, whilst I acknowledge Mr M found this frustrating, I'm not persuaded this was unreasonable in the circumstances.

Mr M has said he believes AmTrust has discriminated against him, although he hasn't been specific about why he believes this to be the case. He's also said it failed to make reasonable adjustments after he asked it to provide same-day call backs.

Based on the evidence provided, I don't think AmTrust has treated Mr M unfairly in the way it has handled his claim. Whilst I've no intention to dismiss Mr M's concerns, or downplay the way he feels, I've not seen evidence which persuades me Mr M has been discriminated against.

I can see there were occasions when Mr M asked AmTrust to call him immediately as a reasonable adjustment, but this wasn't possible as the handler he needed to speak to wasn't available. However, based on the evidence provided I'm persuaded AmTrust generally spoke to Mr M on the telephone within a reasonable period of time following his requests for a call, so I don't think it treated him unfairly in the circumstances.

Overall, for the reasons I've explained in this decision, I don't think AmTrust has acted unfairly in the way it has handled Mr M's claim. I think its requests for information and validation enquiries were reasonable, and I'm satisfied it has dealt with the claim promptly and fairly.

I'm aware this will be disappointing for Mr M, as I know how strongly he feels he has been

treated unfairly by AmTrust. However, for the reasons I've explained, I don't require AmTrust to take any further action in relation to his complaint.

My final decision

For the reasons I've outlined above, I don't uphold Mr M's complaint about AmTrust Speciality Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 January 2026.

Andrew Clarke
Ombudsman