

## **The complaint**

Miss L has complained about the claims handling she received from Assurant General Insurance Limited when she made a claim under her mobile phone policy when her phone was stolen.

## **What happened**

Miss L has this mobile phone policy through her bank account. When her phone was stolen Miss L submitted her claim to Assurant on 14 February 2025. It accepted her claim on 25 February 2025 and provided her with a replacement which was an upgraded phone with a one year warranty.

On 22 April 2025, Miss L told Assurant that she was unable to use an international SIM card in this replacement phone. Assurant told her to contact the network provider to unlock the phone.

On 23 May 2025, Miss L complained to Assurant saying the network provider couldn't help her and provided evidence to show the phone was locked. On this basis Assurant provided a further replacement phone which Miss L received on 19 June 2025.

However this phone didn't have the same level of storage as both the phone that was stolen and the first replacement phone had. So Assurant provided a further replacement phone. Unfortunately Assurant's courier partner failed to deliver it when it said it was going to do so. So Assurant cancelled that order and proceeded to do another order which was delivered to Miss L on 28 June 2025.

Miss L reported back that this phone was similarly locked for both one of the UK SIM providers and indeed any international SIM. Assurant noted its replacement phones are tested to ensure compatibility with at least two of the four major UK networks prior to dispatch. So it thought the device met the requirement for UK usage. It didn't think a phone not working with international SIMs constituted a fault with the phone as it could be used with UK SIMs which can be used internationally. But it appreciated its service to Miss L had been troublesome so it paid her £50 compensation.

Miss L remained dissatisfied and brought her complaint to us. The investigator explained to Assurant that it wasn't fair the phone was blocked for one of the major UK networks too along with international SIMs. So it agreed to pay the costs of Miss L getting her phone unlocked, which would include the warranty Assurant gave with the replacement phone not being invalidated either. It also agreed to increase the compensation to £150. Miss L didn't agree as she didn't want to use a third party to unlock her phone. She also said she had to seek medical attention for a panic attack over this so she wanted the compensation increased further and she wanted either an unlocked phone or a cash settlement.

The investigator in her view recommended that the compensation should be increased to £150 as already agreed by Assurant and that Miss L could have the costs of her phone being unlocked refunded by Assurant. Or Assurant could provide a further replacement

phone which was unlocked for international SIMs so had the same functionality as her original stolen phone.

Assurant remained willing to settle Miss L's complaint. However it didn't think it was sensible for it to provide a further replacement phone given the issues with international SIMs might occur again. So it offered to collect Miss L's phone. Once that phone was returned to Assurant, it would then offer Miss L a cash settlement of £515 based on the value of a refurbished device from a specified third party refurbished phone retailer.

Miss L enquired about continuing cover as she wanted any new phone covered under this policy too. On the basis that Assurant was willing to pay a cash settlement she believed that this meant Assurant couldn't fulfil its core contractual obligations. She explained she had complained to her bank about its marketing of the policy.

Further on the basis that it appeared Assurant couldn't fulfil its obligation for a coherent replacement phone, Miss L didn't think she should have to suffer a depreciated cash value for her replacement phone. She believed the Consumer Rights Act of 2015 prohibited this. She didn't think the reputation of the third party refurbished phone retailer was as good as the reputation of refurbished phones from her original phone's manufacturer. If she used the manufacturer's refurbished phone outlet, her model of refurbished phone then cost £849, so she thought Assurant should pay her £849 instead. She also didn't think it was fair for her to return her phone first to Assurant before it transferred the funds for her to buy a refurbished phone and that the funds should be with her first before she returned the phone to Assurant.

She maintained this issue has caused her to suffer a further panic attack for which she had to receive medical attention and because of this she believed she could reserve her right to claim a further £500 to £750 compensation in addition to the £150 compensation Assurant had agreed.

Assurant pointed out that the policy does not cover the specific manufacturer refurbished phones as the supplier of any refurbished phone they provide. It looked at other suppliers and online platforms for refurbished phones and found one, which is a household name, carried the right model phone for £539 so it would be happy to pay that cost as a maximum for the refurbished phone cost. It also agreed in a further effort to settle Miss L's complaint to permit Miss L to have funds in the sum of £539 in her account before she needed to return the phone to Assurant, which it stipulated she must do within two weeks. The investigator considered this fair.

However Miss L disagreed as she said she suffered a further panic attack which she again sought medical attention for. So she maintained she wanted the cash figure to be £849, plus £150 compensation and a separate award for psychological harm of £500 to £750. As Assurant had indicated it was not willing to increase its offer, Miss L's complaint has now 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 upholding this complaint in line with the investigator's view of Assurant's final offer to Miss L. I appreciate that Miss L might be disappointed, but I'll now explain why.

I'll take the varying issues on the following basis.

### *Miss L's medical issues*

As the investigator explained this service, as an alternative dispute resolution service, is charged with assessing what a regulated business such as Assurant has done wrong as regards the terms and conditions of the insurance policy it issued to Miss L. What Miss L is claiming is a personal injury claim, whereby Assurant needs to be judged whether anything it did was so negligent at law to cause that personal injury to Miss L. We are not a court of law and therefore unable to assess what if anything Assurant did was negligent or indeed could be likely to have caused such a personal injury to Miss L. There are many legal considerations in the tort of negligence and how someone causes a personal injury to someone else, none of which comes under this service's remit or authority at all.

Therefore although I'm very sorry to hear Miss L has suffered these panic attacks which are distressing to suffer from also, as they are fairly common in the population at large, these sorts of allegations are not something this service would consider under this type of complaint.

### *What Assurant did wrong given the terms and conditions of the policy*

There is no dispute over the following since Assurant has acknowledged them:

- The first replacement phone was international SIM locked whereas Miss L's original phone which was stolen was not. The terms of the policy do indicate that any replacement phone provided will be *'a mobile phone of the same make, model, and memory size, if we cannot do this you will be given a choice of models with an equivalent specification. We will try to provide one of the same colour but cannot guarantee this.'*
- The second replacement phone had less memory capacity than Miss L's phone.
- The third replacement phone failed to be delivered by Assurant's chosen courier partner.
- The fourth replacement phone was again international SIM locked plus was also locked to a major UK network.

### *What Assurant did to Miss L's advantage*

- It upgraded her replacement phone to a later model than the one which was stolen.

### *What Assurant has now agreed and my consideration of it*

Following the investigator's discussion of the matter the proposed resolution is that Assurant will do the following:

- Pay Miss L a total of £150 compensation having already offered £50. This is compensation for the trouble and inconvenience caused by having several replacement phones sent out to Miss L along with the fact the international SIM requirement still remains locked. This figure of compensation was originally put forward by Miss L.

Bearing in mind our approach to compensation, which is more fully detailed on our website, I consider this figure to be fair and reasonable in all the circumstances given the inconvenience of these multiple mobile phones that Miss L has had to deal with. Therefore I am not asking Assurant to do anything more.

- Pay Miss L the sum of £539 for her to buy a replacement phone from a household

name online retail platform instead of its chosen refurbished mobile phone provider.

Assurant first said Miss L could use its chosen refurbished mobile provider but as Miss L objected to that, it raised the cost of the refurbished mobile from £515 to £539 given what was on offer from this second retailer. I consider this to be reasonable.

The policy doesn't provide new for old mobile phones, only refurbished ones, so I consider Miss L is only entitled to a refurbished mobile phone. Given Miss L can easily find a refurbished mobile phone of the upgraded variety which Assurant has allowed for Miss L, for the maximum price it is prepared to pay, I also consider this is reasonable.

There is no justification for Miss L requiring to use the manufacturer's refurbished outlet instead, as phones from either provider chosen by Assurant are considerably cheaper. Both retailers suggested by Assurant also provide the appropriate one year warranty any refurbished phone Assurant could deliver too. Therefore I don't consider Assurant needs to offer anything further here.

- Provide the funding of £539 to Miss L on the basis she returns the phone within two weeks.

I consider this is a very reasonable if not generous accommodation for Miss L given it's not something I would have required Assurant to do in these circumstances.

#### *Other issues Miss L has raised*

- Miss L also wanted it confirmed that this phone would be covered under this policy too.

The policy provides that the policyholder such as Miss L doesn't need to register her mobile phone for it to be covered as if she needs to claim she can provide the relevant details at that time. So provided Miss L keeps paying her premium, as far as I can see Miss L can still avail of having her phone insured with her bank and therefore Assurant.

- Issues concerning the Consumer Rights Act 2015 and the alleged depreciated value of Miss L's phone.

In accepting Miss L's claim and providing her with a replacement phone, Assurant is not a retailer as defined by the Consumer Rights Act. Therefore this legislation is wholly irrelevant to the duties Assurant owes to Miss L under her mobile phone policy provided by her bank.

#### *Conclusion*

Given all the circumstances here, I consider it's fair for Assurant to provide the funds for Miss L to buy a new refurbished phone herself. I consider it's also fair for Assurant to limit the costs in this way to those phones as available on the two refurbished retailers' sites as well. I consider this adequately resolves Miss L's complaint along with the payment of the £150 compensation also.

#### **My final decision**

So for these reasons, it's my final decision that I uphold this complaint.

I now require Assurant General Insurance Limited to do the following:

- Pay Miss L the sum of £539 so she can buy her refurbished phone herself which she can then ensure has the correct functionality she requires, on the basis that Miss L

returns the phone provided to Assurant within two weeks.

- Pay Miss L the sum of £150 compensation for the trouble and inconvenience it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 10 April 2026.

Rona Doyle  
**Ombudsman**