

The complaint

Mr K complains that American International Group UK Limited (AIG) declined his travel insurance claim.

What happened

Mr K lost his passport at the airport before checking in for a flight. He took a taxi to his house and the cab driver waited while he tried to find it. Mr K's brother called him and said his passport had been found at the airport. Fortunately, Mr K was able to return to the airport and depart on his flight.

Mr K made a claim under his travel insurance policy with AIG for his taxi costs, but this was declined. Mr K complained but AIG maintained its position. So, he referred his complaint to the Financial Ombudsman Service.

Our investigator didn't think Mr K's complaint should be upheld. She thought it was fair for AIG to decline Mr K's claim in line with the terms of the policy.

Mr K disagreed with our investigator's outcome. So, his 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.

Having done so, I've decided not to uphold Mr K's complaint. I'll explain why.

The policy's terms and conditions say:

"If your passport or other travel documents are lost, stolen or damaged during your trip, we'll pay up to £200 to replace them. This includes costs of you travelling to the local Embassy by public transport as well as your replacement passport."

As Mr K's passport was found, he didn't need to replace it. Nor did he need to travel to an embassy. So, I'm satisfied that the policy doesn't cover the expense Mr K is claiming for.

I appreciate my answer will be disappointing for Mr K. But no travel insurance policy will cover every eventuality. Under the circumstances, I think it was fair for AIG to decline Mr K's claim, in line with the policy's terms and conditions.

My final decision

For the reasons I've explained, I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 6 March 2026.

Anne Muscroft
Ombudsman