

The complaint

Mr S has complained that Zurich Insurance Company Ltd (Zurich) unfairly declined a claim under his home insurance policy.

References to Zurich include companies acting on its behalf.

What happened

Mr S made a claim for accidental damage to a 3D printed model. Zurich investigated the claim, including interviewing Mr S. It declined the claim because it said the model had been created for sale and so wasn't covered by the policy.

When Mr S complained, Zurich maintained its decision to decline the claim. However, it offered £100 compensation for communication issues.

Mr S complained to this Service. Our Investigator didn't uphold the complaint. He said it was reasonable for Zurich to decide the model was intended for sale through a business. He said although he was aware Mr S said he had made the model for personal use, Zurich's evidence was more persuasive. The policy had an exclusion for loss or damage to items in connection with a business. So, he said it was reasonable for Zurich to decline the claim. He also said it was normal for an insurer to validate a claim and didn't think Zurich had been unfair in doing so. He also said the compensation Zurich offered for issues with claim handling was fair.

As Mr S 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.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So, I've thought about this claim and complaint in that context.

Mr S made a claim for damage to a 3D printed model. When Zurich assessed the claim, it found the model advertised for sale on Mr S's wife's business social media. I've looked at the social media posts. These provided updates on the creation of the 3D figure, including photos of it as this progressed. The posts included hashtags, such as #forsale. One of the social media posts also said "*Will be for sale once finished*".

I also watched the recording of an interview in which Zurich's investigator spoke to Mr S about the claim. During the interview, the investigator showed Mr S the social media posts. Mr S confirmed this was the same model as the one that had been damaged. He also explained the model was being made for himself and it had taken more than a year to create

it. The investigator pointed out the wording in the social media post that said “*Will be for sale once finished*”. Mr S said the model was being used to generate interest. He said that if someone had expressed interest in buying it, he would have kept the one that was made for his personal use and a new one would have been made for the purchaser. He said this specific model wasn’t itself for sale.

I’m aware Mr S strongly disputes that the model was a business item. Mr S’s wife also provided a letter to say she was the sole owner of the business and that the model wasn’t made by her or for her business. She said Mr S had made it as a display piece and a personal project for their living room.

Based on what I’ve seen, I think it was reasonable for Zurich to decide the model was a business item. Mr S confirmed the model in the social media posts was the one that was damaged. The social media posts also said the model would be for sale once it was finished. I think the wording of the social media posts indicated this specific model was for sale. I’m not persuaded that Mr S’s explanation, including his wife’s letter, showed that Zurich’s decision was unreasonable.

So, I’ve looked at the policy wording to see what this said about business items. The policy described the Contents cover. It said:

“We will not pay for the following:

...

5. Loss or damage to any items used in connection with any business, trade or profession except office equipment used for clerical purposes in the home.”

So, the policy said it didn’t cover items used in connection with a business. This meant there wasn’t any cover under the policy. So, I think it was fair that Zurich declined the claim.

I’m aware Mr S also said Zurich’s investigator was biased. So, I’ve thought about this. I think it’s a normal part of a claim for an insurer to ask a policyholder for information and documents. During the interview, the investigator put questions to Mr S. When they discussed the social media posts, I think the investigator focussed on the wording in a post that said “*Will be for sale once finished*”. He was unpersuaded by Mr S’s explanation. He didn’t think this could be interpreted in the way Mr S suggested. The investigator also explained the claim outcome wasn’t his decision, but that he would write a report about his findings. It’s my understanding that other conversations also took place, although I haven’t seen the full details of what was discussed. Based on what I’ve seen, I’m not persuaded the investigator’s actions were biased. But, regardless of that, looking at Zurich’s records, I could see that Zurich considered the investigator’s findings but made its own decision on what it considered to be a fair claim outcome. So, I’m satisfied that even if Mr S was concerned the investigator was biased, Zurich didn’t simply accept the investigator’s findings. It reached its own view on the claim.

When Zurich responded to the complaint, it noted that there had been some minor gaps in communication. It offered £100 compensation to reflect the impact of this, which Zurich has confirmed to this Service that it has paid. Based on what I’ve seen, I think this was fair in the circumstances and I don’t require it to pay any further compensation.

So, having looked at what happened, I don’t uphold this complaint or require Zurich to do anything else in relation to it.

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 S to accept or reject my decision before 4 March 2026.

Louise O'Sullivan
Ombudsman