

## **The complaint**

Mr and Mrs D are unhappy that Chubb European Group SE declined a claim made under a travel insurance policy they had the benefit of ('the policy').

## **What happened**

Mr and Mrs D were due to fly abroad with their children. They were due to travel by plane to one country ('the first flight') and then board a flight to their intended final destination ('the second flight')

The airline cancelled the second flight.

Mr and Mrs D then made alternative arrangements including arranging a flight to a different country, staying overnight there and then boarding a different flight to their intended final destination.

They made a claim on the policy for their unrecoverable out of pocket costs in connection with their rescheduled plans to travel to their final destination.

Chubb initially declined the claim relying on a policy exclusion not covering anything caused by a war or act of war and / or that they were travelling to a country which the Foreign, Commonwealth and Development Office had advised against travelling.

After Mr and Mrs D challenged this, Chubb accepted that it had incorrectly relied on that exclusion to decline the claim. However, it maintained that the claim wasn't covered as an airline cancellation isn't an insured event under the policy.

Unhappy, Mr and Mrs D brought their complaint to the Financial Ombudsman Service. Our investigator looked into what happened and didn't think Chubb had unfairly declined the claim.

Mr and Mrs D disagreed and raised points in reply. These didn't change our investigator's opinion, so the complaint has now been passed to me to consider everything afresh 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've considered all points made by Mr and Mrs D (along with all the other evidence). However, I won't respond to each of these. I hope they understand that no discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every point to fulfil my statutory remit.

Chubb has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

I know Mr and Mrs D feel very strongly Chubb has unreasonably declined their claim. I have a lot of empathy for what happened.

However, I'm satisfied that Chubb has fairly and reasonably declined the claim. That's because under the section of the policy entitled 'what this policy doesn't cover', there's a further sub section which says 'other things we don't cover' which says:

We don't provide any cover for flights being cancelled by the airline or by the airport...

I'm satisfied Chubb has fairly relied on that exclusion here. The second flight was cancelled by the airline. I'm satisfied that this was the operative reason why Mr and Mrs D's outbound plans changed, and what ultimately led to the claim being made on the policy for their out-of-pocket costs.

Mr and Mrs D said this resulted in them cancelling the first flight, so this wasn't done by the airline. However, I'm satisfied that they wouldn't have needed to do this if the airline hadn't cancelled the second flight. So, the primary reason which led to the claim being made was due to the airline cancelling the second flight.

When making this finding, I've taken into account the literature Mr and Mrs D has sent about the policy terms explaining that:

- The policy provided cover for them cancelling a flight for any reason, not just for specific events;
- Chubb would cover 70% of non-refundable costs if they cancel for any reason not listed in the standard policy (but 100% reimbursement if they cancel for a specific insured reason).

However, it also says there were 'important exclusions' including:

Cancellation by the provider (e.g. airline cancels the flight) are not included – this is for customer-initiated cancellations.

So, I'm satisfied that the literature is consistent with the policy exclusion set out above and this point doesn't change my mind about whether Chubb unreasonably declined the claim.

### **The reason first put forward to decline the claim**

Chubb accepts that it initially declined the claim relying on an incorrect reason. It's apologised and offered £100 compensation. Mr and Mrs D say this hasn't been paid.

I accept that having the claim initially declined for an incorrect reason would've been upsetting and confusing for Mr and Mrs D. They were also put to the trouble of challenging that decision. I'm satisfied that £100 compensation fairly reflects the impact this error had on Mr and Mrs D.

I know Mr and Mrs D will be disappointed with my decision. I hope it provides some reassurance for them to know that this complaint has been impartially considered by someone independent of the parties.

**My final decision**

Chubb European Group SE has already made an offer to pay £100 compensation to Mr and Mrs D and I think this offer is fair in all the circumstances.

So, my decision is Chubb European Group SE should pay £100 compensation to Mr and Mrs D for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs D to accept or reject my decision before 11 February 2026.

David Curtis-Johnson  
**Ombudsman**