

The complaint

Mr T complains that AmTrust Specialty Limited declined his travel insurance claim. My references to AmTrust include its agents.

What happened

Mr T took out gadget cover as part of his travel insurance policy. The gadget cover was insured by AmTrust.

Mr T made a claim on the policy for a stolen laptop and said the theft most likely happened during an overnight bus journey during his trip abroad. He said the laptop was in a closed bag on the aisle seat next to him and he didn't notice the laptop had been stolen until he reached his accommodation at his final destination.

AmTrust declined the claim. It said under the policy terms the laptop was 'unattended' so the claim wasn't covered. In response to Mr T's complaint to it, AmTrust said the bag might have been physically within his arm's length reach but he'd said he'd spent long periods of time asleep during the journey which meant the bag was then out of his sight and he wouldn't have been able to prevent any interference with his bag and laptop. Also the bag and laptop weren't locked away or secure.

Mr T complained to us that AmTrust's decision was unfair. In summary he said:

- AmTrust had introduced a new condition to decline his claim - that being asleep meant an item is no longer within 'arm's length reach'. But 'arm's length reach' is a measure of distance, not a state of awareness, and the policy doesn't require a person to remain awake or to physically touch the item at all times. So AmTrust had unfairly applied the unattended exclusion.
- He was on an overnight bus journey and it was reasonable for him to sleep for parts of the trip. He'd taken precautions to ensure his laptop was secure and not unattended. The laptop was placed inside a closed, concealed compartment within the main compartment of his bag so the laptop wasn't visible or easily accessible. The bag was next to him on the seat within arm's length reach throughout the journey. The bus travelled directly to its final destination without intermediate stops so it wasn't possible for anyone to steal the bag and then disembark unnoticed. He'd reasonably believed his laptop was safe.
- He wants AmTrust to pay the full value of the stolen laptop and compensation for his distress and inconvenience caused by its unreasonable handling including the time, stress and disruption he had when making the claim and complaint.

Ultimately our Investigator thought AmTrust had reasonably declined the claim.

Mr T disagrees and wants an Ombudsman's decision. In summary he added:

- The gadget section of the policy contained a specific definition of 'unattended' so only

that definition applied, not the general definition of 'unattended' under the travel policy. The laptop wasn't 'unattended' under the gadget section definition as it remained within his arm's length reach at all times.

- The policy sets out a clear, objective test - sight or arm's length reach - and he satisfied the latter test. AmTrust using further obligations goes beyond the insurance contract so it was unfair to apply the exclusion.
- The extra measures AmTrust now suggests he could have taken are made in hindsight, he had taken reasonable precautions given the circumstances at the time.

Mr T also gave more details about where the bag was on the bus. In brief: the bag was on the aisle seat but he ensured the bag was positioned directly beside his body at all times so closer than arm's length reach; the bag containing the laptop remained zipped shut unless he was using the bag; he didn't remove the laptop from the bag during the journey so no one could have known without searching through the bag that there was a laptop inside which would have been difficult; his bag and laptop were much more secure than the common practice of placing bags out of sight in overhead storage.

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.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably.

The policy provided cover for gadgets against theft while Mr T was on his trip, subject to the policy terms. Laptop is included within the policy definition of a gadget.

Mr T told AmTrust the following when it first asked for information about his claim:

'The bag was placed on the aisle seat for the majority of the journey, whilst I was sitting on the window seat... As these buses had no intermediate stops between where I got on, and where I got off, I believed it to be safe to leave my bag in that position, as had someone stolen the bag, I would have noticed...'

I would say that I was asleep for over half of the bus journeys, and slept fairly solidly through the night on the (first of two buses he used for his journey). It seems that at some point during the journey, someone went into my bag, removed the laptop, and then zipped the bag back up.

I believe that it is more likely that the laptop was stolen on this first bus, as I spent long periods of time asleep during this journey, and I was sitting next to the toilets at the very back of the bus, meaning 1. there was no one behind me, who would be able to see if someone went into my bag, and 2. anyone who went to the toilet at any time during the journey would have seen my bag sitting there, and had an opportunity to go into it, and remove the laptop. However, it is impossible for me to say with any certainty exactly when the laptop was stolen, as I only noticed it was missing after the end of the journey'.

The policy excludes a theft claim where the gadget is left unattended and AmTrust declined the claim because it considered Mr T had left his bag containing the laptop unattended.

The travel policy defines 'unattended' as:

'When you are not in full view of and not in a position to prevent unauthorised interference with your property or vehicle'.

The gadget section within the travel policy defines 'unattended' as:

'The gadget has not been locked away or secured and is not within your sight or arms length reach'.

Those are common exclusions for travel and gadget policies.

Mr T says AmTrust can't fairly use the definition of 'unattended' in the travel policy when the gadget section of the policy also defines 'unattended', as I've detailed above. Even if I agreed that was correct, I think AmTrust fairly relied on the gadget section definition to decline the claim. I'll explain why.

Mr T's bag with his laptop wasn't locked away or secured and from what he's said he wasn't able to do either. He didn't see his laptop stolen and from the information he gave to AmTrust he believes it's most likely the theft happened when he was asleep. As he was asleep when the theft occurred he didn't have sight of the bag containing his laptop so he wasn't in a position to prevent anyone from interfering with his bag and taking the laptop.

Mr T says he only needed to have the laptop within arm's length reach for it to be attended, which he says is an objective test and not to do with a state of awareness. He told AmTrust he had the bag on the seat next to him and since the claim decline he's said it was within arm's length reach at the most. From what he's said I think it's likely that physically the bag with the laptop was within his arm's length reach. But the purpose of the requirement to have items at arm's length reach is to maximise the policyholder's opportunity to prevent anyone from interfering with their item. As Mr T was asleep at the time of the theft he wasn't in a position to prevent anyone from interfering with his bag to steal his laptop even though the bag was next to him.

I think AmTrust correctly said that under the policy terms the laptop was unattended at the time of the theft.

I also have to consider what's fair and reasonable in all the circumstances of this complaint.

AmTrust says Mr T told it he was occupying two seats by the toilet at the back of the bus, with the bag on the aisle seat, he was asleep for much of the time and he admitted that anyone using the toilet would have the opportunity to steal the laptop. I think that's a fair summary of what Mr T told AmTrust when it asked for information about the claim.

As Mr T knows AmTrust told us it would have been reasonable for him to have put the bag on the window side with an arm over the bag, or in the footwell of the window seat so it would have been very difficult for someone to reach the bag without waking Mr T.

I think it was completely reasonable for Mr T to sleep on an overnight bus. But he knew he was sitting next to the toilets at the very back of the bus with no one behind him who would be able to see if someone went into his bag when he was asleep. In those circumstances I think it would have been reasonable for Mr T to have taken the actions described by AmTrust rather than having the bag on the aisle seat which made it much more vulnerable to anyone who wanted to take something from the bag. Mr T says AmTrust can't fairly make those actions binding requirements on him as they're not in the policy. Those actions aren't requirements under the policy. But I can consider all the circumstances when I consider what's a fair and reasonable outcome of the complaint.

Mr T strongly believes he looked after his laptop the best he could in the circumstances at the time. I'm sorry to disappoint him as in all the circumstances I think AmTrust acted fairly and reasonably in declining the claim.

I only award compensation for distress and inconvenience when that's been caused by the unreasonable action of an insurer. I've explained above why I think AmTrust acted reasonably about the claim and there's no basis on which I can say it should pay Mr T compensation for any distress and inconvenience.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 5 March 2026.

Nicola Sisk
Ombudsman