

## **The complaint**

Mr F complains that Chubb European Group SE unfairly declined his jewellery insurance claim after his watch was stolen.

## **What happened**

Mr F owned an expensive watch. It was insured under a jewellery insurance policy underwritten by Chubb.

In July 2025, Mr F travelled with his family by coach from his home area to a theme park. He says that when he arrived, he changed from the insured watch to a cheaper one and placed the insured watch in his bag. He then left the bag in the locked luggage compartment of the coach while he was in the park. At the end of the day, he travelled by coach to his hotel.

The following day, Mr F says he again left the bag containing the watch in the locked luggage compartment while he was at the park. At the end of the day, he boarded the coach to return home. He says he then moved the bag into the overhead locked in the passenger seating area. He says the coach stopped two or three times on the return journey.

The day after he returned home, Mr F discovered that the watch was missing. He contacted the police in his home area and park, the travel company, and the hotel, but the watch wasn't recovered. He then made a claim under the policy. He told Chubb he believed the theft had taken place on the coach, although he couldn't say exactly when.

Chubb declined the claim. It relied on a policy exclusion relating to theft from an unattended vehicle.

Mr F didn't think that was fair, so he complained. He said he'd reported the matter promptly, obtained a police report, and provided all the available evidence. He also said the exclusion didn't make sense in the circumstances, because it wasn't clear the coach had been unattended at the relevant time.

Chubb didn't uphold the complaint. It said the watch had been left in Mr F's bag in different parts of a public coach and, at times, unattended. It also said there was no evidence of forced entry or break-in, and that the exact circumstances of the loss remained unclear.

Mr F referred the complaint to our service. I issued a provisional decision setting out why I thought the complaint should be upheld and the claim accepted. I said:

*"I intend to uphold the complaint. I've explained why below, focusing on the point and evidence I consider material to my decision.*

*The first issue is whether I'm persuaded, on balance, that a theft occurred.*

*The policy covers "theft" which it defines as:*

*“Your insured item being taken unlawfully from you or from anyone using or storing your insured item with your permission.”*

*So, Mr F has to show that it's more likely than not that his watch was taken by someone else, rather than it simply being lost or misplaced.*

*On balance, I'm satisfied that's what happened here. Mr F reported the loss promptly to the police forces involved. His account has remained consistent throughout. He's also said his daughter's make-up bag was stolen at the same time. In my view, these points make it more likely than not that there was interference by a third party, rather than the watch simply being misplaced. I also think it isn't unusual in circumstances like this for a consumer to be unable to identify the exact moment the theft occurred, particularly where belongings are stored in communal luggage areas during a journey. In all, I'm persuaded a theft most likely occurred.*

*The second issue is whether Chubb has shown that it can fairly rely on an exclusion to decline the claim. In seeking to do so, the onus is on Chubb to show that the exclusion most likely applies.*

*The relevant policy wording says:*

*“What is not covered by this policy:*

*2. Theft:*

*...*

*b) from any unattended vehicle and it was not concealed in a locked compartment or boot and someone breaks into the vehicle”*

*I've considered this exclusion carefully, and I'm not satisfied it's written clearly or that Chubb has shown it applies to the facts of the case.*

*Reading the exclusion in the natural way, it appears to contain three separate elements:*

- 1. The theft must be from an unattended vehicle*
- 2. The item must not have been concealed in a locked compartment or boot*
- 3. Someone must have broken into the vehicle*

*Those elements are linked by the word “and”. So, reading in an ordinary way, this suggests that all three elements must be present for the exclusion to apply.*

*I appreciate Chubb may say that this isn't its intended meaning. In its final response, Chubb appeared to interpret the clause as excluding theft from a vehicle where the item wasn't concealed in a locked compartment or boot “unless someone breaks in” [emphasis mine]. But that isn't how the exclusion is structured – it uses “and” between each element.*

*If the clause was intended to work differently, that suggests to me that the drafting is unclear. In those circumstances, I think it's fair and reasonable to interpret the exclusion narrowly, and in favour of the policyholder as the weaker party. Applying that interpretation to the facts of the case, I'm not satisfied the evidence shows that all three elements are met.*

*First, the exclusion requires that someone broke into the vehicle. Chubb has accepted there's no evidence someone broke into the coach. On the wording of the exclusion, that element isn't established.*

*Second, the exclusion requires that the item wasn't concealed in a locked compartment or boot. Mr F says he put the bag with the watch inside in the locked luggage compartment of the coach during parts of the journey. Because it isn't possible to say exactly when the watch was taken, I'm not satisfied it can fairly be said that the item wasn't concealed in a locked compartment at the relevant time.*

*Third, the exclusion applies only where the theft is from an unattended vehicle. But it isn't clear whether the watch was taken while the coach was parked during the day or while it was in use during the return journey. If the theft occurred while the coach was in use carrying passengers, I'm not satisfied the evidence shows it was unattended within the meaning of the exclusion.*

*Taking all this into account, persuaded there was a theft. But I'm not persuaded Chubb has shown that the exclusion applies to the circumstances of the claim. So, I don't think it would be fair to rely on it to decline cover for the watch.*

*With that established, albeit provisionally, I've considered how Chubb needs to resolve the complaint.*

*Chubb hasn't highlighted any other basis on which the claim should fail. Mr F has also provided evidence to show that he owned the watch. So, in the circumstances, I intend to require Chubb to deal with the claim in line with the remaining policy terms.*

*I also intend to require Chubb to add interest to the settlement amount from 7 August 2025, when it declined the claim, until the date of settlement, to reflect Mr F being without the benefit of that money.*

*I also think the decline of the claim would understandably have been upsetting and frustrating for Mr F. I consider £150 a fair amount of compensation to reflect this, so that's what I intend to award."*

## **Responses to my provisional decision**

Mr F accepted my provisional decision.

Chubb didn't agree with my findings. In summary, it said the watch had been left unattended for 48 hours which increased the risk of loss or theft. It didn't think Mr F had taken reasonable care of the watch by taking it on the trip and leaving it in a public/shared space rather than keeping it on his person or leaving it at home.

Chubb also said there isn't enough evidence to show that a theft occurred. It said the circumstances remain unclear and could equally amount to a loss rather than a theft. It added that the wider theft exclusion excludes items left unattended outside the policyholder's home or vehicle, which it said applies here.

As both parties have responded, I now consider it appropriate to issue my final decision.

## **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 carefully considered Chubb's further points, but they haven't changed my opinion on what I see as the fair outcome in this complaint. I'll explain why.

First, I don't agree that the watch was left unattended for around 48 hours. Mr F has consistently explained that the bag was left in the locked luggage compartment of the coach only while he was in the park during the day, and was taken to the hotel overnight. So, I don't think it's fair to say the watch was left unattended for a continuous or extended period in the way Chubb has suggested.

I've considered Chubb's comments about Mr F failing to take reasonable care, but I'm not persuaded Chubb has shown this. I don't think it was unreasonable for Mr F to have taken the watch on the trip. And when he went into the theme park, he removed it and placed it in his bag which was then stored in the locked luggage compartment of the coach. In the circumstances, I think that represented reasonable steps to protect the watch. I haven't seen persuasive evidence that Mr F failed to take reasonable precautions or exposed the watch to unreasonable risks.

Chubb has reiterated that there isn't enough evidence of theft. I addressed this in my provisional decision and I remain satisfied, for the reasons I gave there, that a theft is the most likely explanation for the loss.

I've considered Chubb's comments about the wider theft exclusion. For the avoidance of doubt, the full exclusion says:

"Your insured item is not covered against:

...

2. Theft:

- a) *as the result of it being left unattended outside of the home or vehicle of you or anyone temporarily using or storing it with your permission;*
- b) *from any unattended vehicle and it was not concealed in a locked compartment or boot and someone breaks into the vehicle; or*
- c) *from a building unless the building is occupied or secured and it was entered unlawfully; or*
- d) *If you do not report it to the police (local police if abroad) and obtain a report or crime reference number."*

Even accounting for Chubb's further comments about the application of part (a) of the exclusion, I'm not persuaded on balance that Chubb has shown the exclusion applies here.

The key difficulty is that it isn't clear when the theft occurred. Mr F says the bag was, at times, stored in the locked luggage compartment of the coach, and later in the overhead locker while the coach was in use. I explained in my provisional decision why I didn't think it was unreasonable for Mr F not to know exactly when the theft happened and my opinion on whether the watch could be said to have been left unattended.

If the theft took place while the bag was in the overhead locker, I'm not satisfied it can fairly be said to have been unattended in the sense required by the exclusion. Given that uncertainty, I'm not satisfied Chubb has shown that the watch was left unattended outside the home or vehicle of Mr F at the time it was stolen. It's not enough that this might have been the case, Chubb would need to show on balance that it was, and I don't think it has.

Taking everything into account, Chubb's further points don't change my view that the claim has been declined unfairly.

I've considered the matter again and my opinion hasn't changed. So my provisional decision along with my additional comments here now form the basis of this, my final decision.

## **Putting things right**

To resolve the complaint, I require Chubb to:

- 1) Deal with Mr F's claim in line with the remaining policy terms.
- 2) Add simple interest\* using time-weighted average Bank of England base rate plus one percentage point to any cash amount payable under (1) above, from 7 August 2025 to the date of settlement.
- 3) Compensate Mr F £150 for distress and inconvenience.

\*If Chubb considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr F how much it's taken off. It should also give Mr F a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

## **My final decision**

For the reasons I've given, I uphold Mr F's complaint and direct Chubb European Group SE to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 28 April 2026.

Chris Woolaway  
**Ombudsman**