

## **complaint**

Mr and Mrs M complain that U K Insurance Limited ("UKI") didn't pay them the right amount of money for their travel insurance claim for lost money.

## **background**

While on holiday Mrs M lost money over £500. She and her husband, Mr M, made a claim to UKI. They thought £500 was the maximum they could claim under the policy. UKI accepted the claim. But it paid only £250 saying that was the policy cash limit.

Mr and Mrs M complained to us. The adjudicator recommended the complaint be upheld. She didn't think the cash limit information in the policy summary was clear, fair and not misleading.

UKI disagreed so the complaint has been passed to me for a decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

UKI says the November 2014 policy should apply to this claim. Mr and Mrs M say they never got that and have a policy from March 2013. The wording in the two policy summary documents is slightly different. But I don't think it matters which policy is applied as the real issue remains the same - has UKI fairly applied a £250 cash limit to the claim.

In both summaries the relevant section of cover is called 'personal money' and the sum insured headline figure is £500. The summaries go on to say that the cash limit is £250. So what UKI is really providing is cover of £250 for cash and £250 for any other items in a wallet or purse. Those other items are explained in the definition of 'personal money' in the policy documents, "letters of credit, travel tickets and hotel vouchers".

I don't think many people class those items as 'personal money'. Had UKI called the cover 'personal money/tickets/vouchers' or something similar it would have been clear to all exactly what was covered. But a common and reasonable understanding of 'personal money' is that it's cash. People would reasonably expect that it means cover for cash only and the headline figure given is £500. I don't think it's reasonable to expect people to have to look up an unusual definition to see exactly what UKI does intend to cover.

Mr and Mrs M understood they were covered for £500 cash. Given the wording in the summaries that's not unreasonable. Had it been clearer that UKI was only going to cover cash of £250 I think it's more likely than not that they would have carried less cash.

I don't think UKI can fairly rely on the cash limit of £250. It should pay the claim to a maximum of £500.

## **my final decision**

I uphold Mr and Mrs M's complaint.

U K Insurance Limited should pay Mr and Mrs M's claim for lost money up to a maximum of £500 cash (including any payments already made). Interest at 8% simple a year should be added, less tax if properly deductible.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 30 October 2015.

Nicola Sisk  
**ombudsman**