

The complaint

Mr D complains that Domestic & General Insurance Plc (D&G) were unfair in their cancellation of his extended warranty policies.

What happened

Mr D has a premium credit card account with a UK bank. This allows him free protection of various household appliances, subject to terms and conditions.

D&G considered Mr D to have fallen outside of the eligibility criteria for cover and so cancelled the policies. They said, the household appliances all needed to be registered at the same address – but Mr D had six registered across three addresses, which he rented out.

Mr D didn't think that was right, so he asked for our help. An investigator here looked into the matter and felt there were several reasons why Mr D didn't qualify for cover, and so concluded that it was reasonable for D&G to have cancelled the policies.

Because Mr D didn't agree, the matter has been passed to me 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 agree that Mr D wasn't eligible for the cover, on account of him registering appliances at multiple addresses. The extended warranty terms and conditions stipulate that:

“All products... must be registered to the same address...”.

It seems to me that D&G don't intend for policies to be set up in the way Mr D wanted, i.e. to cover appliances at multiple rental properties.

I appreciate there has been reference to whether or not Mr D's properties would be considered as commercial – another of the eligibility criteria – but I don't think that's the overriding reason for their cancellation, so doesn't require further consideration.

And while I note Mr D says he wasn't aware of the eligibility criteria, I am satisfied from what I have seen that it exists. Overall, D&G are entitled to set such criteria and while they initially allowed the policies to be set up it was reasonable for them to be cancelled once it was clear Mr D wasn't eligible.

If Mr D would like to set policies up in future he may wish to double check in advance with D&G, so as to avoid this situation reoccurring. Especially as some literature suggests that policies should be registered to the home address, i.e. not those rented out.

My final decision

It is my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 12 September 2023.

Will Weston
Ombudsman