

The complaint

Mr V says Apple Retail UK Limited mis-sold him a mobile phone insurance policy.

What happened

In January 2023 Mr V bought a phone in store. At the same time he took out insurance through Apple in relation to it. He subsequently made a claim on the policy as his phone had been stolen but was told the policy only covered accidental damage.

Mr V said when he took out the policy he'd been told it did cover theft and loss and thought Apple should cover the cost of a replacement device. Apple said it believed it would have been made clear to Mr V in store what the policy covered. And in any case the written information about the policy he was then provided with explained what it did and didn't cover.

Our investigator said while he couldn't be sure what was said in store, the policy information made clear the policy only covered accidental damage. And he was satisfied that information had been provided to Mr V when he took the policy out. He didn't uphold the complaint.

Mr V didn't agree. He said he'd been told in store the policy would cover theft and loss and the store manager had told him this was a common misunderstanding. So I need to reach a 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.

Apple says it didn't provide Mr V with advice about taking out this product and I haven't seen anything to suggest otherwise. So, under the relevant rules, it didn't need to ensure the policy was suitable for him. But it did need to provide Mr V with clear, fair and not misleading information so he could decide for himself if the policy was right for him.

I think the information about the policy would have made clear to Mr V what it covered. The Insurance Product Information Document (IPID) says it provides cover for accidental damage and "*the policy does not cover your Apple device for loss or theft...*" The terms and conditions of the policy say (in bold on the first page) that it "*does not cover You for loss or theft of Your device*". And I understand that's information which was made available to Mr V when he took the policy out.

I appreciate Mr V recalls being told in store the policy would cover him for theft and loss. However, Apple says its employees complete ongoing training in the product which includes the scope of coverage and sales activities are periodically monitored for compliance with this. That doesn't of course mean the sales representative couldn't have said something different in this case but I'm mindful of the fact Mr V hasn't provided any further details of this conversation such as who he spoke to or exactly what was said. And while he says the store manager told him this was a common misunderstanding, I don't think that's the same as accepting he'd been given the wrong information in this case.

In any event I think the other information about the policy Mr V was provided with (and which I've already referenced) would in any case have made clear what the scope of its coverage was. If Mr V didn't think that met his needs it would have been open to him to raise that with Apple and seek alternative cover with it or elsewhere if that was something he wanted.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 21 December 2023.

James Park
Ombudsman