

## **The complaint**

Mr and Mrs T complain that Chubb European Group SE (Chubb) has turned down a travel rearrangement claim they made on a travel insurance policy.

## **What happened**

Mr and Mrs T have travel insurance through their employer's group scheme.

In July 2022, Mr and Mrs T were due to fly abroad on holiday. Unfortunately, following a six-hour delay at the airport, their flight was eventually cancelled by the airline due to scheduling reasons. As an alternative flight wasn't available, Mr and Mrs T drove to their holiday destination instead. Mr and Mrs T made a claim on their travel insurance policy for the additional travel costs and the costs for various bookings they were unable to use due to the changes.

Chubb turned down Mr and Mrs T's claim. It said that the circumstances of the claim weren't covered by the disruption section of the policy. This was because the reason for the disruption wasn't covered by the policy.

Mr and Mrs T were unhappy with Chubb's decision, and they asked us to look into this complaint.

Our investigator didn't think Mr and Mrs T's complaint should be upheld. She didn't think the claim was covered by the policy, so she didn't think it had been unfair for Chubb to turn down the claim.

Mr and Mrs T disagreed, and I've summarised their response. They felt that the policy was unclear and ambiguous. They've said that they were claiming under the "*Specific Definition for Section 1 – Disruption*" part of the policy. They've also said that as disruption isn't in bold, and therefore isn't a defined term in the policy, the English language definition applies instead of the terms set out in the policy.

The complaint 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.

Having done so, whilst I'm sorry to disappoint Mr and Mrs T, I think it was fair for Chubb to turn down their claim and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. They also must not turn down claims unreasonably. So, I've considered, amongst other things, the terms of Mr and Mrs T's policy and the circumstances of their claim, to decide whether I think Chubb treated them fairly.

I understand that the situation in which Mr and Mrs T found themselves in was outside of

their control. However, no insurance policy covers every eventuality and insurers are entitled to decide what level of risk they wish to accept in return for the premium paid for a policy. Therefore, Chubb's obligations under its contract with Mr and Mrs T are limited by the terms, conditions and exclusions which are set out in the policy.

I appreciate that Mr T feels that the policy terms are unclear and ambiguous. However, having reviewed the policy terms, I think that the policy is clear about what is and isn't covered under each section of the policy. In this case, the relevant section of the policy is "Section 1 – Disruption". The policy says that Chubb will cover the rearrangement of travel costs of a policyholder's trip if the rearrangement is down to one of the following, listed, insured events:

*"a) the death, serious injury, sudden illness, complications in pregnancy (as diagnosed by a **Doctor** or specialist in obstetrics) or quarantine on the orders of a **Doctor**, of **You**, a member of **Your Immediate Family** or **Your Travelling Companions** or anyone on whom the **Journey** depends, provided that such cancellation, curtailment or rearrangement is confirmed as medically necessary by a **Doctor**;*

*b) a **Public Conveyance** being cancelled or curtailed because of adverse weather, industrial action, or mechanical breakdown or derangement;*

*c) **You** being required to attend Jury service or being subpoenaed;*

*d) the hijacking of the conveyance in which **You** are travelling;*

*e) **Your** unemployment, which qualifies for payment under any applicable statute;*

*f) serious damage making **Your** home uninhabitable;*

*g) **Your** presence being required by the police following a burglary or attempted burglary at **Your** home;"*

The policy also sets out that if the event isn't in the above list, then it isn't an insured event under the policy. As the cause of Mr and Mrs T's disruption was due to a cancelled flight because of an airline's schedule, this isn't in the above list which means it isn't covered under the policy.

I agree with Mr and Mrs T that the word disruption isn't in bold in the policy. A word in bold in the policy is one which has a specific definition as set out within the policy terms. I also agree that words that aren't in bold would usually be defined by the English dictionary definition. However, in this case, disruption is used in the policy as a section heading. I don't agree that it not being in bold means that the above list is irrelevant and anything that would be deemed to be a disruption under the dictionary definition would be covered by the policy. I think the policy is clear about what is covered.

Mr and Mrs T believe they have a claim under "Specific Definition for Section 1 – Disruption" which says:

**"Cancellation, Curtailment and Rearrangement Costs**

*Costs for unused travel and/or accommodation (including ski hire, ski school and ski lift passes), which **You** have paid or are contracted to pay and which cannot be recovered from any other source. Curtailment and Rearrangement costs include reasonable additional travel and accommodation expenses provided that such travel is of a standard no greater than the class of transport on the outbound part of the **Journey** and the standard of accommodation*

*is not superior to that of the **Journey.***"

As can be seen, it sets out what costs can be claimed if the event causing the claim is one from the list above. So, I'm not persuaded that this is a separate section that Mr and Mrs T are eligible to claim under.

I've looked carefully at the remaining sections of the contract. But there simply isn't any section which provides cover in the circumstances which Mr and Mrs T unfortunately found themselves in.

Overall, despite my natural sympathy with Mr and Mrs T's position, I don't think there are any reasonable grounds upon which I could direct Chubb to pay this claim. I don't think that Chubb have acted unfairly or unreasonably in declining the claim.

### **My final decision**

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T and Mr T to accept or reject my decision before 14 November 2023.

Anthony Mullins  
**Ombudsman**