

The complaint

Mr M is unhappy that AWP P&C S.A. has declined a claim he made on his travel insurance policy.

What happened

Mr M was due to go on holiday. The tour he was due to go on was cancelled by the travel agent following an earthquake. Mr M had booked his flights separately and was unable to obtain a full refund when he cancelled them. He claimed on his travel insurance policy for his financial losses.

AWP declined the claim as they said there was no cancellation cover available under the policy for these circumstances. Mr M complained to AWP but they maintained their decision to decline the claim. Unhappy, Mr M referred his complaint to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold the complaint. She thought that AWP had fairly declined the claim in line with the policy terms. Mr M didn't agree and asked an ombudsman to review the complaint. He said he couldn't have gone on the holiday as if he'd gone ahead with the flights he'd have had no accommodation or tour. So, I need to make a 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.

The relevant rules and industry guidelines say that AWP has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms and conditions set out the circumstances in which Mr M can make a claim for cancellation costs. They include:

Adverse weather conditions making it impossible for you to travel to initial point of departure at commencement of outward journey.

I'm not upholding this complaint because:

- No travel insurance policy can cover every eventuality. On a strict application of the policy terms there is no cover under the policy for cancellation due to an earthquake.
- I don't agree that it would be fair and reasonable to interpret an earthquake as 'adverse weather conditions' as Mr M has suggested. The Cambridge Dictionary defines weather as 'the conditions in the air above the earth such as wind, rain, or temperature, especially at a particular time over a particular area'. An earthquake is as a result of seismic waves passing through the Earth's surface. And in any event, Mr M wasn't prevented from travelling to his initial point of departure. So, I can't fairly

conclude there is cover under this policy term.

- It was for Mr M to decide if the policy offered him the right level of cover. If cover for natural disasters was particularly important to him he would have been able to take out a different policy which offered cover for earthquakes and other natural disasters. Such policies are available on the travel insurance market.
- I'm not suggesting Mr M should have travelled to the airport and used his flights. However, there is simply no cover under the policy for these circumstances.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 June 2024.

Anna Wilshaw
Ombudsman