

The complaint

Mrs F and the estate of Mr F have complained that Stonebridge International Insurance Ltd has declined a claim under the late Mr F's accidental death policy.

What happened

Mr F had a policy with Stonebridge which covered accidental death. Very sadly Mr F died in 2023 and his estate claimed on the policy. The coroner recorded death by misadventure and said:

(Mr F) died of compression of the neck by ligature after he deliberately created a noose and used it several times over the course of several hours to hang himself for short periods with the intention of causing himself pleasure, and not causing his own death, on the last occasion he mistakenly did not release the noose before he lost consciousness.

Stonebridge declined the claim in reliance on the following policy exclusion:

5. What is not covered

We will not pay the benefit if an accidental death is:

- caused by suicide or a self-inflicted injury or any deliberate or reckless act or omission that is expected to cause serious injury or death whether of sound mind or not*

Stonebridge concluded that whilst Mr F may not have wanted to cause his own death or harm himself intentionally, the activity he was engaging in was deliberate. It said that the activity was considered dangerous and reckless and can be expected to cause serious injury or death. Therefore Stonebridge said that the exclusion applied.

It also said that the definition of accident wasn't met. The policy definition is:

accident means a sudden, unexpected and unfortunate event that occurs whilst the policy is in force and which results directly from external and violent means.

Stonebridge said that death by misadventure is the recorded manner of death caused by a risk taken voluntarily, in contrast to an accidental death where the coroner records that the decedent had taken no unreasonable wilful risk.

Mrs F and the estate are represented, but for simplicity I will just refer to actions and representations as being made by Mrs F.

Unhappy with the claim decline, Mrs F brought her complaint here. The investigator didn't recommend that it be upheld. She felt that Mr F's action was deliberate and reckless and can be expected to cause serious injury or death.

As no agreement was reached the matter was passed to me to determine. I issued a provisional decision and said as follows:

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 I have reached a different conclusion to the investigator. I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the relevant law, the policy documentation and the representations made, to decide whether I think Stonebridge handled this claim fairly.

Stonebridge has relied exclusively on the third part of the exclusion set out above. That is, as far as relevant here: any deliberate or reckless act or omission that is expected to cause serious injury or death.

Mr F's act was deliberate, possibly reckless. But I don't find Stonebridge has shown it was expected to cause serious injury or death. The contrary is true, it was expected to cause pleasure. This accords with the Coroner's verdict.

Additionally I'm not minded to agree that because the Coroner recorded Mr F's unfortunate death was by misadventure, this means that it didn't meet the policy definition of accident. I'm satisfied that all the elements of the definition of accident are met.

Accordingly I don't find that Stonebridge has correctly assessed Mrs F's claim.

My provisional decision was that Stonebridge re-assess the claim:

- without reliance on the part of the exclusion which states: any deliberate or reckless act or omission that is expected to cause serious injury or death
- treating the definition of accident as met

I said that I'd look at anymore comments and evidence that I received, but unless the information changed my mind my final decision was likely to be along the lines of my provision or 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.

Both parties responded to my provisional decision. Stonebridge accepted my provisional decision and the representative for Mrs F and the estate of Mr F confirmed receipt but made no further comments. In these circumstances I see no reason to change my provisional findings, which I adopt here.

My final decision

My final decision is that I uphold this complaint. I require Stonebridge International Insurance Ltd reassess Mrs F and the estate of Mr F's claim:

- without reliance on the part of the exclusion which states: any deliberate or reckless act or omission that is expected to cause serious injury or death
- treating the definition of accident as met

I make no further direction or award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and the estate of Mr F to accept or reject my decision before 30 September 2024.

Lindsey Woloski
Ombudsman