

AL

Vs

Collinson Insurance Europe Limited

(C 89977)

Sitting of 23 March 2026

The Arbiter,

Having seen the Complaint¹ filed on 11 December 2025 wherein Complainant claims a benefit of €2,000 for each of the 2 persons insured under the Travel Policy issued by Service Provider, in conjunction with EasyJet, for cancellation of a flight from Lisbon to Madeira on 09 May 2023.

After extensive correspondence between the parties, the Service Provider on 19 August 2025 offered a settlement of €486.97² covering additional travel costs involved to prevent trip abandonment. This was accepted on same day by Complainant, but he reserved the right to continue his complaint regarding misleading advertising of the insurance policy and the initial denial of his valid claim.³

Following further communications between the parties on 23 December 2025, the Service Provider offered an additional sum of €500 to cover related hotel cost for an additional night accommodation in Lisbon and a missed night accommodation in Madeira.⁴

¹ Pages (p.) 1 - 6 and additional attachments p. 7 - 87

² P. 93; 103 - 105

³ P. 106

⁴ P. 110

Complainant has informed the Arbiter that he has refused this additional offer and wishes to pursue the complaint.⁵ He claims that hotel bookings are not relevant to his claim as he is basing his claim on the policy wording that in case of flight cancellation, he is entitled to ***“Up to €2,000 per person if your flight is cancelled”***.⁶

Having seen the reply of the Service Provider dated 02 January 2026⁷ where they explained that Complainant is claiming benefits related to ‘Cancellation’ whereas this was not applicable to his case as he proceeded with his travel and was offered payment for all extra expenses involved (including the subsequent offer of €500 to cover extra accommodation costs).

Observations

The purpose of a travel insurance policy is to indemnify the insured from incurring costs for which he receives no benefit due to an insured event covered by the policy.

The Service Provider has offered to cover such expenses through a total settlement of €986.97 of which €486.97 have already been paid and accepted by Complainant, and €500 offered but not yet accepted.

The Complainant has not made any claim that he incurred any expenses which are not covered by the proposed settlement. In his complaint, he lists his expenses as totalling €1,196.⁸

This however includes a refund of €153.45 and a refund of €32.18 of his travel insurance premium. So even by his own calculations (which are not supported by evidence), the offer of Service Provider covers 82% of his pretended expenses.⁹

He claims, however, that he is entitled to an overall settlement of €4,000 (€2,000 per person) because the policy states that in case of cancellation, he is entitled to ***“up to €2,000 per person”***.

⁵ P. 96 - 97

⁶ P. 107

⁷ P. 92 - 95

⁸ P. 21

⁹ These include cost of new tickets claimed at €943 whereas in the settlement, he already accepted these which were quantified at €672.60 (p. 93)

The copy of the Travel Policy provided is in the Portuguese language and cannot be admitted to these proceedings.

The Arbiter relies on the translation submitted by Complainant and uncontested by Service Provider that in case of cancellation, there is a policy limit of €2,000 (not clear if per person or overall, but Service Provider has not rebutted that it refers to a per person amount).

However, the policy wording as translated makes it clear that the cancellation limit is not a fixed figure but an amount '**up to €2,000**' which is a clear inference that the claimed amount has to be quantified and supported by documented expenses within the maximum ceiling of €2,000.

Complainant's argument that he is entitled to a claim of €2,000 per person irrespective of expenses incurred would lead to undue enrichment which is not within scope of the policy. This apart from the fact that that the €2,000 ceiling relates to total cancellation of the trip and not to a 1-day postponement due to flight disruption.

Decision

For reasons explained above, the Arbiter, in accordance with Article 21(2)(c) of Chapter 555 of the Laws of Malta (the ACT), considers this complaint as frivolous and vexatious and hereby declines to exercise his powers under the ACT.

Each party is to bear its own costs of this procedure.

Alfred Mifsud
Arbiter for Financial Services

Information Note related to the Arbiter's decision

Right of Appeal

The Arbiter's Decision is legally binding on the parties, subject only to the right of an appeal regulated by article 27 of the Arbiter for Financial Services Act (Cap. 555) ('the Act') to the Court of Appeal (Inferior Jurisdiction), not later than twenty (20) days from the date of notification of the Decision or, in the event of a request for clarification or correction of the Decision requested in terms of article 26(4) of the Act, from the date of notification of such interpretation or clarification or correction as provided for under article 27(3) of the Act.

Any requests for clarification of the award or requests to correct any errors in computation or clerical or typographical or similar errors requested in terms of article 26(4) of the Act, are to be filed with the Arbiter, with a copy to the other party, within fifteen (15) days from notification of the Decision in terms of the said article.

In accordance with established practice, the Arbiter's Decision will be uploaded on the OAFS website. Personal details of the Complainant(s) will be anonymised in terms of article 11(1)(f) of the Act.