

The complaint

Company E has complained about Covea Insurance plc. It isn't happy about the way Covea dealt with a claim under its Media Freelance Insurance policy.

What happened

Company E made a claim under its Media Freelance insurance policy after its car was broken into and a large amount of equipment was stolen from the rear of the vehicle. But when Covea looked into the claim it turned it down. This was because the property wasn't stored in a boot at the time of theft and it felt the property wasn't hidden from view.

Company E complained to Covea and then this Service. Our investigator looked into things for E and upheld the complaint. Although Covea disputed that E's vehicle had a boot our investigator was satisfied (using the dictionary definition) that it did have a boot. And that Company E had stored its property in the boot of its vehicle at the time of the theft. So, he thought Covea should reconsider the claim in line with the remaining terms and conditions of the policy as he thought the clause that Covea was relying on said a claim would be met if the property was stored in the boot.

As Covea didn't agree, feeling that there was too much emphasis placed on whether E's vehicle had a boot or not and Covea thought the property wasn't stored out of sight, the matter has been passed to me for review.

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 I think the complaint should be upheld. I'll explain why.

Company E made a claim under its Media Freelance policy after equipment was stolen from the rear of its vehicle when the vehicle was parked in a secure car park overnight. Covea outlined that the policy covers E for '*Owned/Hired Equipment Used At and Away from Your Premises*'. However, Covea turned down E's claim by relying on the following clause '*Damage from Unattended vehicle and or trailer unless the Property is kept within the boot or secure compartment or hidden from view which is secured by all locks and other protections*'. Covea appeared to suggest that the property wasn't stored out of sight or in a boot or secured compartment.

Although I can understand Covea's position I agree with our investigator that Company E stored its property within the boot or secured compartment of its vehicle. I know Covea feels the property wasn't hidden from view as well, but I can't say this for sure on the information provided to date. I say this as the photographs of E's vehicle were taken after the theft when the windows of the vehicle had been broken and it is difficult to tell what could or couldn't be seen before the theft. Indeed, E says the vehicles '*windows are tinted and covered from the inside with black corex, meaning that you cannot look into the vehicle from the outside*'. I note Company E has provided photographs from before the theft that it feels show that you

couldn't see into the vehicle. But I don't think Covea has investigated this position thoroughly enough and it has acknowledged in its notes that it hasn't explored the effect of the black corex covering that Company E has outlined.

But what isn't in doubt, and Covea appears to accept in its latest representations to this Service, was that E's property was secured in the boot of its vehicle (by using the standard dictionary definition of a car boot). Covea outlined in its response that too much emphasis has been placed on whether E's vehicle had a boot or not, as opposed to the property being hidden from view or not. But the clause (which says '*unless the Property is kept within the boot or...*') meant that Company E only had to comply with that part of the condition, up to the word '*or*' as opposed to the remainder of the clause. Indeed, Covea acknowledged within its notes that the consensus at Covea appears to be that this would be classed as a boot and '*We have agreed that the wording of the exclusion may not be strong enough to maintain declinature....*' alluding to the fact that the property was stored in a boot and '*in which case the exclusion would not apply*'.

As Covea is aware any ambiguity in the policy wording is interpreted in the customer's favour by this Service and I feel that the clause it has relied on suggests that the claim would be met if the property '*is kept within the boot or secure compartment...*'. This clearly implies that cover would be provided as long as the property stolen is kept within the boot at the time of the theft which it was.

So, I agree with our investigator that the complaint should be upheld and Covea should reconsider Company E's claim in line with the remaining terms, conditions and limits of the policy. And should Covea go on to accept the claim it should consider any consequential losses E incurred by the original repudiation.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Covea Insurance plc to reconsider E's claim in line with the remaining terms, conditions, and limits of the policy. And it should consider any consequential losses E incurred by the original repudiation if it accepts the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 12 October 2022.

Colin Keegan
Ombudsman