

The complaint

Mr W has complained about his car warranty provider Motors Insurance Company Limited (MICL). He feels it mis-sold the warranty to him and/or unfairly declined his claim.

What happened

Mr W bought a warranty from MICL via its policy administrator (trading under a different name). He received certain documents at the time of purchase. The following year, before the policy was due to renew, the car developed a fault and Mr W made a claim on the warranty.

The pipe on the cooling system had burst. MICL said the pipe wasn't a part covered by the warranty. Mr W pointed to the documents he had received which said the cooling system was covered. MICL said the full policy booklet was also sent, under separate cover, before the warranty started. It said the full policy booklet explains that only certain parts (or components) of the cooling system are covered. Mr W felt the policy had been mis-sold and maintained he had not received a further booklet. When MICL wouldn't honour the claim or refund the warranty cost, Mr W complained to the Financial Ombudsman Service.

Our Investigator noted that the initial documents Mr W had received did reference that they were not the full policy and that there were exclusions and limitations detailed elsewhere which Mr W should make sure he'd read. He was satisfied the full booklet had been sent to Mr W too. He was also satisfied the full booklet said that only certain parts of the cooling system, not including the pipe, were covered. He didn't think MICL had mis-sold the policy to Mr W and he thought the claim had been fairly declined.

Mr W maintained he'd been misled by the documents he had received – which said the cooling system was covered. He said he was telling the truth about not having received further documents and wasn't sure why MICL's word had been taken over his. In any event, he said, it seemed illogical that MICL wasn't responsible for him not receiving the documents. Mr W argued that even if the documents had been sent it wasn't fair for them to be sent after purchase, or for a policyholder to have to read so much or so many pieces of documentation to understand the policy.

The complaint was referred for an Ombudsman's 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.

Having done so, with regret for the disappointment this will cause Mr W, I find my view is the same as that of our Investigator. As such I'm not upholding the complaint.

I appreciate that having multiple policy documents might have seemed confusing for Mr W. But it is quite standard that within the insurance industry, the full cover details are communicated via a number of different documents. It's also quite usual for policy documents to be sent after the purchase is completed. The document in question here, the full policy booklet, was sent before the warranty was due to begin, and Mr W did have a cooling off period during which he could cancel the warranty if he felt it didn't suit his needs.

The documents being sent is key here. No insurer can reasonably wholly control safe receipt of items which are posted or emailed. So MICL has to reasonably show the documents were sent. I've seen screen shots from MICL showing the booklet was sent to Mr W by email before the cover began. There's no suggestion though that Mr W is lying about not receiving the booklet – there might be a number of reasons why, whilst MICL sent it to Mr W's given email address, he did not receive it.

I think it's also important though to look at the documents Mr W did receive. Mr W has pointed out they list the "cooling system" as being covered. But they also highlight that the certain systems of the car listed are shown to give an idea of the areas in which cover is given for specific components. Also referencing that only *component parts listed* are covered. The documents also say the full booklet should be referred to – and a phone number and web address are given to afford access to that. Mr W didn't make enquiries in that respect. I think Mr W was given all the necessary details to enable him to make an informed decision about the cover.

I'd add that Mr W had the warranty for a whole year before he became dissatisfied with it. It was the declined claim that triggered this. I'm not persuaded that Mr W, when buying the warranty, would have made any different decision even had he seen all of the policy documents before the cover began.

I recognise that Mr W is unhappy that his claim for the cooling pipe was declined. But the full policy booklet sets out which component parts of the cooling system are covered. The pipe is not one of them. As the pipe is a part not covered by the warranty, I'm satisfied that MICL's decline was fair and reasonable.

My final decision

I don't uphold this complaint. I don't make any award against Motors Insurance Company Limited. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 February 2024.

Fiona Robinson

Ombudsman