

The complaint

Mr C complains about how Ageas Insurance Limited (Ageas) dealt with a claim under his motor insurance policy for the theft of his motorcycle.

References to Ageas in this decision include their agents.

This decision covers Mr C's complaint to this Service in September 2024, following Ageas's final response issued earlier that month. Mr C made a separate complaint about the role of the broker (E) through which he arranged his policy with Ageas. That complaint is the subject of a separate decision from this Service.

What happened

Mr C took out a motorcycle insurance policy with Ageas in June 2024, at a total annual premium of £946.18 (including additional covers and arrangement fee). The policy was taken out online through a comparison website and a broker (E).

In August 2024 Mr C's motorcycle was stolen but recovered a few hours later but had sustained damage. Mr C said he found the motorcycle missing at 2am after having been to a friend's house nearby to collect some items. He initially reported the theft to E, then to Ageas. He described the circumstances of the theft as the motorcycle was locked with a chain but not chained to another object. The thieves lifted the motorcycle onto skateboards and tried to start it. But they abandoned the motorcycle a short distance away, though with damage to wiring and other damage.

The motorcycle was recovered to one of Ageas's approved repairers and Ageas had an engineer inspect the motorcycle. They advised the extent of the damage, compared to the motorcycle's estimated value, meant it was beyond economical repair.

However, Mr C's policy included an endorsement relating to the garaging of the motorcycle between the hours of 10pm and 7am at the home address or within 0.5 miles. However the theft occurred at the friend's house, a distance of 0.3 miles from Mr C's home address recorded on the policy. Due to the circumstances of the theft, Ageas said they wouldn't accept a claim for damage to the motorcycle as Mr C had breached the terms of the garaging endorsement.

Mr C said E advised him the claim would be covered. Mr C also said the garaging endorsement hadn't been properly explained to him when he took out the policy, believing this meant the policy had been mis-sold.

Unhappy at Ageas declining his claim, Mr C complained.

In their final response, Ageas rejected the complaint. They referred to the garaging endorsement in the policy. This stated the motorcycle must be kept in a locked and secured building between 10pm and 7am if at the home address or within 0.5 miles away from the home address. As Mr C's motorcycle was stolen from 0.3 miles from the home address, Ageas said they were unable to consider Mr C's claim.

Ageas also noted the motorcycle was held at their approved repairer, should Mr C want to discuss collecting his motorcycle. Otherwise, Ageas would ask their salvage agents to collect the motorcycle. Ageas subsequently agreed to return the motorcycle to Mr C.

Unhappy at Ageas's response, Mr C then complained to this Service.

Our investigator didn't uphold the complaint, concluding Ageas didn't need to take any action. Looking at the proposal form when Mr C took out the policy, he advised his motorcycle was kept in a garage overnight. The proposal form also asked where the motorcycle was kept when not in use, to which Mr C answered incorrectly (it was kept at a location other than his home address). Mr C had the opportunity to correct the mistake but didn't do so. Ageas had said that if they had known the motorcycle wasn't kept in a garage overnight, they wouldn't have offered the policy. The investigator also thought it fair Ageas agreed to honour Mr C's No Claims Discount (NCD) and pay the costs of returning his motorcycle.

Mr C disagreed with the investigator's view and asked that an ombudsman consider the complaint.

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.

My role here is to decide whether Ageas have acted fairly towards Mr C.

The key issue in Mr C's complaint is Ageas declining his claim for the theft and damage to his motorcycle. Mr C says the decline was unfair as he believes Ageas didn't properly interpret and apply the garaging endorsement in the policy. Mr C also says the endorsement wasn't properly explained to him when he took out the policy and so the policy was mis-sold. But that is an issue for E, as the broker through which the policy was taken out and as I've set out earlier, the subject of a separate complaint and decision by this Service.

Looking at the sequence of events in this case, what isn't in dispute is that Mr C's motorcycle was stolen and sustained damage, before being recovered a short distance away from his home address. The location of the theft was some 0.3 miles from his home address, which Mr C says he was visiting a friend to collect some items, when he noticed the motorcycle had gone in the early hours of the morning.

On the issue of the motorcycle being kept in a garage overnight, the Insurance Product Information Document (IPID) contains the following statement, under a heading *Are there any restrictions on cover?*:

"! If you have stated that you will keep your motorcycle in a garage you must ensure it is kept there when unattended at ALL times whilst at the declared garaging address in order for theft cover to apply."

The Statement of Fact document issued with the policy includes a question *"Where is the bike kept overnight when not in use?"* To which the answer ticked is *"Private Garage"*.

As the key to Ageas's decline of the claim is the garaging endorsement, I've looked at the wording of the endorsement, which is contained in the Schedule of Insurance document issued with the policy:

"CNB – Garaging Warranty [registration number]"

Indemnity provided by Section 2 of your policy will not apply in respect of loss and/or damage to your bike caused directly by theft, attempted theft or malicious damage between the hours of 10pm and 7am unless your bike is kept in a locked and secured building and your bike is

- a) At your private dwelling place or
- b) At any other address specifically agreed by us.

This only applies within half a mile radius of either a) or b)."

During the course of our Service investigating the complaint, Mr C told us he actually kept his motorcycle overnight at a family member's garage a short distance from his home address. However, he has declined to provide the location, when requested to provide it.

That being the case, as well as the theft occurring less than 0.5 miles from either of the two options set out in the endorsement, as Ageas weren't aware Mr C wasn't keeping his motorcycle in a garage at his home address and hadn't told – so hadn't agreed – any other address, then I've concluded he didn't comply with the terms of the endorsement (given there's also no dispute the theft occurred within the hours of 10pm and 7am and at a location that was neither a) or b) above and was within 0.5 miles of a).

Mr C says Ageas didn't properly apply and interpret the endorsement, but given what I've said, then I don't agree.

Given the endorsement was clearly set out within the Schedule of Insurance provided with the policy, Mr C would also have had the opportunity to see it and take issue or clarify it should he have wished to do so (or to correct the location he actually kept his motorcycle overnight). Ageas also say Mr C would have had to tick a box to confirm he'd read and accepted the policy endorsements before he could proceed to purchase the policy.

Taking all these points together, I've concluded Ageas acted fairly and reasonably in applying the endorsement to decline Mr C's claim.

Ageas have also agreed to honour Mr C's NCD and to pay for the cost of returning his motorcycle to him. I think both are fair and reasonable.

My final decision

For the reasons set out above, it's my final decision not to uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 February 2025.

Paul King
Ombudsman