

## **The complaint**

Mr A complains Admiral Insurance (Gibraltar) Limited (Admiral) unfairly settled his claim on his motor insurance policy.

Admiral are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As Admiral have accepted it is accountable for the actions of the intermediary, in my decision, any reference to Admiral includes the actions of the intermediary.

## **What happened**

Mr A made a claim on his motor insurance policy after his car was involved in an accident and needed repairing.

When Admiral received the estimate for repairs it declined to cover for the paint protection film (PPF) that had been added to the car.

Because Mr A was not happy with Admiral, he brought the complaint to our service.

Our investigator did not uphold the complaint. They looked into the case and were satisfied Admiral had settled the claim fairly and within the terms and conditions of the policy. They said there was no record that Admiral agreed to cover the PPF, and it wasn't a modification it would have covered in the event of a claim.

As Mr A is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

After the incident Mr A chose to use a repairer of his choice and arranged for his car to be recovered to them. The car was inspected and a quote for repairs was submitted to Admiral for authorisation. Within a few days of obtaining the quote Admiral told Mr A the PPF wasn't covered by his policy.

Admiral consider the PPF that had been added to Mr A's car to be a modification and therefore wasn't covered under the terms of his policy.

I looked at the terms and conditions of the policy and it defines modifications as:  
*"Any changes to your vehicle's standard specifications, including accessories and additional parts, optional extras and aftermarket alterations, trade related changes and parts."*

I recognise Mr A doesn't believe the PPF is a modification and has said it neither changes the specification nor alters any material part of the car. However, I'm satisfied the PPF is a

change to the standard specification to the car and is therefore a modification as per the definition in the policy.

The policy terms also includes the following;

*“Section 2:Damage to your vehicle*

*5. We will not pay:*

*8. To replace or repair any modification. Please read in conjunction with general condition 12.”*

In the general conditions section it says;

*“12. Standard parts replacement*

*Your policy does not cover modifications. If you make a claim for loss or damage to your vehicle, provided it is economical to do so, we will only pay the cost of replacing parts needed for your vehicle to meet the manufacturer’s specification along with any optional extras and/or disability adaptations you have declared. Manufacturer’s optional extras and disability adaptations are only covered if they have been declared and we agreed to cover them.”*

I looked at Mr A’s schedule of insurance and saw some modifications listed, although PPF wasn’t included. I also listened to the call made by Mr A when he purchased the car in May 2023 and Admiral asked him about modifications and three were declared but the PPF wasn’t mentioned.

I accept Admiral confirmed, after the claim had been made, that PPF didn’t need to be disclosed on the policy, however it didn’t say it was not a modification. Admiral confirmed it would provide the policy with the same terms with or without this modification. However the policy is clear it will only pay the parts needed to meet the manufacturers specification. Therefore even if the PPF was disclosed it is still an exclusion because it was a modification and would not have been covered under the terms of the policy.

Mr A said the policy wording was onerous and unusual and should have been brought to his attention in a more explicit way. However, I found the policy is clear about its definition of a modification and whether they are declared, or not as in this case, modifications are not covered by the policy.

Therefore, I don’t uphold Mr A’s complaint and don’t require Admiral to do anything further in this case.

### **My final decision**

For the reasons I have given I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr A to accept or reject my decision before 5 June 2025.

Sally-Ann Harding  
**Ombudsman**