

The complaint

Mr O has complained about AmTrust Specialty Limited. He isn't happy about the way it dealt with a claim under his motor breakdown insurance policy.

Any reference to Amtrust includes any agents that it is responsible for unless specified.

What happened

Mr O took out a breakdown insurance policy through Amtrust with an additional warranty. When he broke down on a main road after a mechanical problem rendered his vehicle undrivable, he contacted AmTrust to make a claim.

However, it turned down his claim at that time as it felt his vehicle was driveable and advised him to continue his journey and to call again if his vehicle became completely immobile. But when Mr O called again as his vehicle had become completely immobile suffering further damage to his vehicle AmTrust declined his claim for a second time. This was because it established that Mr O's vehicle was a camper van which wasn't covered under the policy.

Mr O wasn't happy, so he complained to AmTrust about this. He explained that he had to pay to recover his vehicle and incurred costs that he thought he would have been able to claim for under his warranty policy if he was made aware that he couldn't claim under the policy either when he took the policy out or when he first claimed. This was because the use of the warranty was linked to the use of the breakdown policy and as he hadn't used AmTrust to recover his vehicle he couldn't use the warranty. As AmTrust didn't change its position, he complained to this Service.

Our Investigator looked into things for Mr O and she partly upheld his complaint. Having looked into all the circumstances surrounding the claim she understood why AmTrust eventually turned down the claim. However, she thought that had Mr O been clearly advised when he first called up after he broke down, he would most likely have taken different steps which *may* have led to him being able to use his warranty policy or he would have prevented the drive on damage that was caused.

So, she thought the fairest thing to do was for AmTrust to pay 50% of the costs Mr O would have been able to claim under his warranty (£250). And she thought it should pay £100 compensation for the clear stress and worry it caused Mr O.

As AmTrust didn't agree 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 accept that this is a difficult case to decide, but I agree with the position advanced by our Investigator as this seems a fair way to conclude this case. I'll explain why.

Although I accept that AmTrust acted in line with the policy terms and conditions in eventually deciding to decline Mr O's claim as the policy says under '*General Exclusions*' that '*Any Claim for a minibus, horsebox or Campervan/Motorhome...*' is excluded. And it is clear that Mr O's vehicle is a camper van. However, I do think that if Mr O had been clearly

advised here that his claim wouldn't have been covered when he first broke down then he would have taken different steps in order to mitigate his position and losses. It seems to me that AmTrust should have been more thorough when Mr O first called it for assistance in looking into the full circumstances surrounding his claim.

Simply telling Mr O to drive on as his vehicle was '*still in order*' and driveable which ultimately, on balance, caused additional damage to his vehicle was poor advice and forced Mr O to drive his vehicle in a dangerous position having to rejoin a motorway. And had Mr O been told when he first called that his vehicle wasn't covered under the policy, he wouldn't have been pushed to drive on causing additional damage. I'm sure he would have taken alternative steps, such as paid to recover his vehicle when he first broke down had he been made aware of this or taken other steps, such as paid AmTrust privately to recover his vehicle so that he could use his warranty - ultimately mitigating his position and the additional drive on damage caused.

Given we can't be sure exactly what would or would not have happened had Mr O been clearly and properly advised when he first contacted AmTrust it makes it very difficult to look to put Mr O back into the position he would have been but for this error. But I think it feels fair in the circumstances to ask AmTrust to pay half of the potential costs Mr O would have incurred if he was able to use his warranty in putting right the drive on damage caused. And the warranty would have paid up to £500, when deducting the policy excess, so AmTrust should pay £250 (50%).

I know AmTrust doesn't feel this is fair and it isn't responsible for the warranty policy which I accept. But, although I can't be sure, what would or would not have happened here AmTrust did lead Mr O to drive on causing additional damage so paying a 50% contribution feels fair.

It certainly doesn't feel fair to not compensate Mr O following the advice he was given which pushed him towards driving his vehicle in a dangerous position on a major road. And the alternative would be to ask AmTrust to pay half of the repair costs Mr O faced having been advised to drive on causing further damage to his vehicle. I say this as I've listened to the calls when Mr O was advised how he could make a successful claim, by driving the vehicle in a dangerous position to a point when it became immobile, which feels reckless. The problem Mr O experienced when he first broke down is exactly the kind of problem people buy a roadside assistance policy to protect them against. And I find it very surprising that AmTrust approaches breakdowns, especially those in vulnerable and dangerous positions like Mr O, in this manner.

Furthermore, I agree that Mr O has faced some stress and inconvenience in dealing with his claim. And so, I agree he should be compensated £100 by way of compensation for the stress and inconvenience he faced here in being given such advice at the side of the road and compelled to drive in a very dangerous position, which clearly made him very anxious, only to have his claim turned down.

My final decision

It follows, for the reasons given above, that I partly uphold this complaint, and I require AmTrust Specialty Limited to pay Mr O £250 and £100 by way of compensation.

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

Colin Keegan
Ombudsman