

## **The complaint**

Mr H has complained about his minor damage insurer, Aioi Nissay Dowa Insurance UK Limited because it has declined his claim made for scratches to his car. He thinks it caused delays and communicated poorly.

## **What happened**

Mr H made a claim to Aioi on 27 June 2024. When asked to do so he submitted a claim form. He detailed the scratches as being 30cm and 23cm. He submitted photos showing multiple horizontal scratches, forming a roughly triangular shape, starting in a point at the top near the rear light and extending down the three panels of the bumper, to the bottom of the lower bumper panel.

Aioi noted the policy had a limit for the area of damage of 30cm. Based on the size of the scratches alone given by Mr H, it felt the policy would not respond. So it declined the claim. Mr H responded by clarifying that he would just claim for the damage to the two lower panels of the bumper – the scratches there being shorter. Aioi was still not persuaded the damage fell within the policy terms, especially as damage within one metre is counted towards the overall limit for area (30cm) and the damage in the top panel was within one metre of the damage on the lower panels.

Mr H remained unhappy. He said because he was not claiming for the damage in the top panel, it shouldn't be referenced as a reason for decline. He said Aioi had delayed matters, both in declining the claim initially and then in responding to (what he felt was) his reasonable request to amend the claim. When Aioi reviewed Mr H's complaint it noted he had sent it emails which hadn't been received. Regarding the damage, it maintained its area meant it fell outside the terms of the cover.

Mr H felt Aioi hadn't considered his request for the damage on only the two lower panels to be covered. He complained to the Financial Ombudsman Service.

Our Investigator felt Aioi had acted in line with the cover. He was satisfied it had not caused avoidable delays. So he did not uphold the complaint.

Mr H said he was unhappy. He said Aioi had never answered his point that the damage spanned across three panels and he was only claiming for that on the lower two. Which, Mr H said, were within the policy specification. Mr H confirmed that he will not claim for the scratches on the upper panel – meaning, he felt, Aioi should be able to agree to cover those on the lower two.

Our Investigator confirmed Mr H's points had not changed his view. 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 I find my view is the same as that of our Investigator. I've set out my reasons below.

I realise Mr H has sought to amend his claim. But his claim – which Aioi declined, was for damage spanning three panels of the bumper. Aioi did initially refer to this as damage to one panel but, considering the policy wording, in my view that doesn't make a material difference.

The policy says:

"What is insured:....Minor Damages [including] Scratched areas....up to 30cm in diameter..."  
With more than one area of damage being covered: "provided the total area of damage is within 30cm in diameter..."

The policy defines "Minor Damage" as: "Any....Scratched Areas where the total damaged area (whether across one or more panels) is no larger than 30cm in diameter..."  
And "Scratched Area" as: "A collection of scratches.....where the total area is up to a maximum of 30cm in diameter..."

The policy documents also set out:

"What is Minor Damage....Each area of damage is no closer than 1.0 meters in any direction to any other damage. Any damages closer than this will be treated as one area of damage and subject to the 30cm maximum diameter."

"What is not insured:....Where there are multiple areas of damage, where those areas are within 1.0m of each other".

So the cover allows for damage to one or multiple panels. But, crucially, the area of damage must not exceed 30cm. And if other damage is present within 1 metre, that is classed as the same area of damage, so subject to the 30cm limit.

I haven't seen any photos actually showing a measurement of the damaged area. But I note it was Mr H's own estimate of the size of the scratches which caused Aioi to initially decline the claim. I think that was fair and reasonable.

I note Aioi's initial decline was made within about two weeks. I think that was a reasonable timeframe. I haven't seen that Aioi caused any delays.

Mr H, having had his claim declined, sought to amend the claim. I don't think it was unreasonable, in the circumstances, given the policy wording and the photos of the damage, for Aioi to take the view that all of the damage should be considered when deciding if the damage (then) claimed for should be covered. I think Aioi's decision that the revised claim damage fell outside of the policy was fair and reasonable.

I see Mr H did send emails to Aioi, requesting to amend the claim, which weren't responded to. But I note that, around the time those communications were sent, the provider of the cover was changing, with Aioi taking over. Aioi explained to Mr H that it did not receive his emails. I note that one email Mr H sent around that time said if he did not receive a response to his request, he would make a complaint. I understand Mr H then approached the garage which had sold him the cover and it intervened to contact Aioi, Aioi then seems to have treated the matter as a complaint, issuing its final response in early November 2024.

I can't reasonably criticise Aioi for not responding to emails it did not receive. I also don't think it's unreasonable to think that a change of business might disrupt usual services and slow down replies. But I note that once Aioi was made aware by the garage of Mr H's concerns, it acted swiftly to deal with the matter, initially providing an informal reply and then within a matter of weeks, a final response letter in answer to the complaint. I'm satisfied it acted reasonably in the circumstances.

I appreciate that Mr H will be disappointed that the policy he had purchased has not given him cover in this instance. However, that does not mean he should get a refund of the policy premium as I see he has requested. As with any insurance, cover is provided subject to terms and conditions. In this case I think Aioi has fairly and reasonably applied those terms and conditions. Unfortunately, for Mr H, on this occasion, that means that his claim fails.

### **My final decision**

I don't uphold this complaint. I don't make any award against Aioi Nissay Dowa Insurance UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 June 2025.

Fiona Robinson  
**Ombudsman**