

The complaint

Mr A complains that AWP P&C S.A declined a claim on his motor warranty.

What happened

Mr A took out a motor warranty with AWP in March 2024. I was sorry to hear the coolant pipe needed repairing. Mr A raised a claim with AWP but it was declined as the part was excluded under the policy terms. Mr A was unhappy and raised a complaint. AWP didn't uphold Mr A's complaint as they didn't think they'd done anything wrong. Still unhappy, Mr A brought the complaint to this service.

Our investigator didn't uphold Mr A's complaint. She thought AWP had fairly declined the claim in line with the policy terms and conditions. Mr A appealed. He didn't think the policy terms were clear and didn't think it was fair to exclude the part. As no agreement could be reached, the complaint has been passed to me to make a final 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.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly, and not unreasonably decline it. So, I've thought about whether AWP acted in line with these requirements when it declined Mr A's claim.

Having done so, and whilst I appreciate it'll come as a disappointment to Mr A, I've reached the same outcome as our investigator for the same reasons.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr A has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

As a starting point, it's important to understand what the policy covers. The terms and conditions state the following is covered:

"We will pay for the costs of repairing or replacing the factory-fitted mechanical and electrical components of your vehicle that have suffered sudden failure during the period of cover subject to the maximum claim limit and the terms of this policy."

It's not in dispute that the coolant pipe suffered from sudden failure during the period of cover. However, AWP has declined the claim based on an exclusion. The policy sets out the

following:

“We will not pay for:...

- *Worn and perishable items as follows:*
 - o *Coolant pipes and hoses”*

As an insurer, AWP has the commercial decision as to what they cover and don't cover within their policy. This is set out in the policy terms and conditions. It's for the consumer to decide whether the policy is appropriate for them. It's not for this service to tell a firm what they should cover. In this instance, the loss Mr A has experienced isn't covered by his policy. Whilst I understand that Mr A doesn't think the part should be excluded due to its construction material, it is a coolant pipe that has failed, and this isn't covered by the policy. So, I don't think AWP has treated Mr A unfairly or unreasonably by declining the claim.

I appreciate Mr A has said that he found the policy to be confusing and thinks it was mis-sold. AWP didn't sell him the policy so I can't consider this point in this decision. Should Mr A remain unhappy with how he was sold the policy, he'll need to raise this with the firm responsible for selling the policy to him.

I'm very sorry that my decision doesn't bring Mr A more welcome news at what I can see is a difficult time for him. But in all the circumstances I don't find that AWP has treated Mr A unfairly, unreasonably, or contrary to the policy terms and conditions in declining the claim.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint. I don't require AWP P&C S.A to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 October 2025.

Anthony Mullins
Ombudsman