

## The complaint

Mr S complains that Europa Group Limited ('Europa') – trading as Wiser Choice – continued to charge his motor insurance premiums after his car had been destroyed in a fire.

## What happened

Mr S had a motor insurance policy, arranged by Europa acting as insurance intermediary. In November 2024, his car was destroyed in a fire and he made a claim to his insurer.

Mr S is unhappy that Europa continued to take his premium payments for the policy for two months. He cancelled his direct debit in February 2025. He says Europa continues to demand payment *"even though the car is no longer in my possession and cannot be used."*

Europa told Mr S that *"if a non-recoverable claim is made, the full annual premium is due"*, including when the premium is paid monthly. It offered to switch his policy to a new vehicle and waive the administration fee for this change. Mr S didn't accept this and complained to this service. He says Europa's actions have caused him financial and mental distress.

Our investigator didn't recommend that the complaint should be upheld. She was satisfied that Mr S had used his policy when he made a claim, so the full annual premium was due. She thought its offer to transfer the policy to a new vehicle was fair. Mr S didn't accept this, so the complaint was 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.

Mr S is unhappy that he was asked to continue paying his monthly premium after his car was destroyed. He believes Europa's actions are unfair and aren't aligned with the policy terms. He referred to the policy Insurance Product Information Document (IPID) which states: *"If you cancel the policy after the 14 days 'cooling off period', you will receive a refund minus a charge for the period you were on cover and a cancellation fee."*

However, the paragraph immediately below the one quoted by Mr S says: *"Regardless of when you ask us to cancel the policy, the full annual premium is payable to us if you have made a claim which was your fault or if we are unable to recover our outlays from the responsible party."* His 6 May 2024 renewal letter set out his premium and payment details, and said: *"If you make a claim, you must pay the full annual premium."* This was also set out in his policy documents when he originally took out the policy in 2023.

Mr S's car insurance was a yearly contract beginning in May 2024. He chose to pay by direct debit. However, his premium is paid up front to the insurer by a third-party creditor who Mr S pays back in instalments, plus interest. This interest is shown on his renewal letter.

If the insurer pays out on a claim during the policy year, no premium is refundable. That's because Mr S has effectively 'used' his policy and must pay the full premium. Mr S was

paying the yearly premium by monthly instalments, so he must still pay the outstanding instalments. I'm satisfied that Europa's agent explained this to Mr S during a call on 12 February.

Mr S told us that his insurer declined his claim in March 2025, so it didn't incur any costs and the 'non-recoverable claim' point doesn't apply. I understand his point. However, Europa told us that the insurer had accepted liability for property damage caused by the fire. It confirmed that the insurer was still dealing with this and the claim remained open. So I'm satisfied that there are non-recoverable costs related to the claim, and the full premium is payable. If Mr S wants to challenge this, he should contact his insurer.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 October 2025.

Simon Begley  
**Ombudsman**