

## **The complaint**

Miss B complains about Tradex Insurance Company PLC's decision to not deal with a claim she made on her motor insurance policy.

## **What happened**

Miss B held a motor insurance policy with Tradex. That policy also provided her with cover for driving other cars (DOC).

Unfortunately, Miss B was involved in an incident while driving a relative's car. She made a claim for the damage caused.

Initially, Tradex said it would deal with her claim and that no excess would be payable. But after some delay, and some chasing, Miss B was told that this was a mistake. Tradex said the correct position was that it wouldn't deal with Miss B's claim, because the DOC cover only provided third party cover, it didn't include any cover for damage to the vehicle being driven.

Miss B complained about this decision and thought that she should be covered and that the car should be repaired.

Tradex didn't change its stance. But it offered £125 compensation for initially saying Miss B was covered, and for some small delays and communications issues.

Unhappy, Miss B brought her complaint to the Financial Ombudsman Service.

One of our Investigators didn't think it should be upheld. He thought the documentation was clear that DOC covered liability to third parties only. And he thought that the £125 compensation was fair and reasonable to make up for the error of saying the claim would be covered and for the small delays and communication issues.

Miss B didn't agree and asked 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'm not upholding it. I'll explain why.

Key here is whether or not Tradex should pay for the damage to Miss B's relative's car. And I'm satisfied it doesn't need to. I'm satisfied that the policy is clear in setting out that DOC only provides third party cover. That means any damage caused to the vehicle being driven by the policyholder isn't covered. This is common within the industry, and I've not seen anything to persuade me that the documentation shows anything different.

I understand Miss B was told she had fully comprehensive cover for DOC – meaning the damage to the car she was driving would be covered. But that information was given in error,

after the incident occurred. And in putting things right, the remedy for bad advice, isn't simply to honour that bad advice, it is to look at the impact of it.

Here, the advice was given after the incident, so I'm satisfied it had no bearing on Miss B's decision to drive the car.

The impact here is one of a loss of expectation. And I fully accept that thinking your claim would be covered, to then be told this was an error would be distressing. I'm also aware this information only came to light when Miss B chased progress of the claim herself, which will have added to the distress.

I'm aware that Miss B was initially told no excess would apply, to be then told that one would apply – that too will have caused distress. But that distress was quickly replaced by the distress of not having her claim paid.

Overall, I'm satisfied Tradex's offer of £125 compensation is fair and reasonable in all the circumstances. There were some delays initially in progressing the claim. But Miss B should have been told from the start, that this claim wasn't going to be covered. Had Tradex done that, I'm satisfied some distress and inconvenience would have been avoided. It is that avoidable distress and inconvenience that I'm satisfied £125 adequately compensates.

### **My final decision**

For the reasons set out above, my final decision is that I don't require Tradex Insurance Company PLC to do any more than pay the £125 it's offered, if it's not made this payment already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 11 December 2025.

Joe Thornley  
**Ombudsman**