

The complaint

Mr T complains that The National Farmers' Union Mutual Insurance Society Limited (NFU) unfairly turned down his claim for damages to his vehicle under a motor insurance policy.

What happened

The circumstances of this case are well known to both parties but in summary, Mr T has a motor insurance policy which is underwritten by NFU.

In October 2024, Mr T used his insured high-performance vehicle on a track day. When travelling to the event, Mr T stopped at a petrol station and filled two jerry cans with what he believed to be petrol for use during the day. He stored the jerry cans in his vehicle and continued to the event where he took part.

In the later part of the event, Mr T refueled his vehicle using the jerry cans and continued to use the vehicle. Mr T subsequently experienced problems with the vehicle, with its on-board diagnostic system indicating the vehicle had been misfiring. It then became apparent that Mr T had used diesel in his vehicle rather than petrol, and this had led to his vehicle becoming damaged.

Mr T contacted NFU to claim under his policy. NFU didn't accept the claim as it said Mr T had used the vehicle for a track day which is something excluded under the policy. Unhappy with NFU's response, Mr T complained.

NFU didn't uphold the complaint. In its response, it said it was satisfied it had declined the claim fairly and in line with the terms of the policy. So Mr T referred his complaint to this Service.

Our Investigator didn't uphold the complaint. They didn't think NFU had reached an unfair decision based on the policy terms because Mr T had taken part in an activity that wasn't covered under the policy.

Mr T disagreed. In summary he said that he didn't agree it was fair to exclude the claim as the damage caused to the vehicle wasn't due to its use on the track day, but due to the misfuelling which didn't happen on the actual track and could've occurred at any other time.

So, the case has been passed to me to decide.

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.

I acknowledge my summary of Mr T's complaint will be somewhat brief. But I'd like to assure all parties that I have thoroughly reviewed all submissions made when determining this complaint. I won't comment on each piece of evidence provided or every point raised but will instead comment on the issues I consider to be key to this case. This isn't intended as a

discourtesy but reflects the informal nature of this Service – and the rules this Service must adhere to enable me to do this.

Having reviewed the available evidence, I'm not upholding this complaint. I'll explain why.

Relevant regulatory rules say that firms should handle claims promptly, fairly, and not unreasonably reject a claim.

The starting point with any insurance claim is the policy terms as these set out the basis of cover between each party. In this case, Mr T is covered in the event of damage to his vehicle, and in the event of misfuelling. However, the policy confirms that NFU will not pay for injury, loss or damage under any section of the policy if the vehicle is used for –

- a) any purposes not permitted by the "Limitation as to Use" in the certificate (or by endorsement if a certificate has not been issued.)*
- b) racing, speed testing, rallies and competitions (other than road safety rallies and treasure hunts), trials or track days.*

It's widely accepted by both parties that the vehicle was used for a track day. However, Mr T is of the view that the damage caused to the vehicle wasn't due to its use on the track, and that it is solely due to the misfuelling which could have occurred anywhere. While I accept the vehicle could have been misfueled at any time, this isn't representative of the circumstances of this claim as Mr T's vehicle was misfueled during a track day – in which the vehicle was used under high performance conditions.

Expert reports have been completed on the vehicle following the damage, including an assessment of the on-board diagnostics system. This shows the vehicle first reported faults at a speed of 84 miles per hour (mph), with further fault codes at 101 mph, 106 mph and 108 mph. These speeds wouldn't normally be achieved on public highways. And so, as there is no evidence the vehicle sustained any damages prior to it achieving these higher speeds, I don't find it unreasonable for NFU to conclude that the higher vehicle speeds following the misfuelling contributed to the overall damages of the vehicle – which is something excluded under the policy terms.

This isn't to say that NFU considers Mr T to have been driving dangerously – rather that the vehicle was exposed to a greater risk of an insured event occurring due to the conditions of use – and this isn't a risk NFU agreed to cover when the policy was put in place, and is something Mr T was aware of when he chose to use the vehicle on a track day.

So, while I recognise Mr T will be disappointed with my decision, I don't find that NFU has unfairly declined his claim.

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 T to accept or reject my decision before 29 December 2025.

Oliver Collins
Ombudsman