

The complaint

Mrs A has complained that Millennium Insurance Company Limited (MIC) unfairly declined her claim under her breakdown insurance cover policy when she broke down in Europe.

What happened

Mrs A bought a breakdown insurance cover policy with the insurer MIC through a broker.

While travelling in Europe, Mrs A unfortunately broke down. She asked MIC for assistance under her policy. But MIC said because Mrs A hadn't booked a return travel ticket, her claim wasn't covered under the policy.

Mrs A says the application of this term is unfair. One of our Investigators thought MIC had been clear in the policy wording about the exclusion. And she didn't find it was unfair of MIC to apply it, as it isn't an unusual exclusion under breakdown cover policies in the industry.

Mrs A disagrees and wants an ombudsman to decide. In summary she says she is a UK resident and believes it was clear that she intended to return to the UK within 45 days of travel. Mrs A feels the strict interpretation of the exclusion penalises flexible travelling, doesn't reflect 'real world' UK travel habits' and it is unfair for MIC to apply it.

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.

Mrs A has complained separately that the broker mis-sold the policy to her. How the policy was sold to Mrs A doesn't form part of my decision, so I will make no finding about the broker here. But by way of background, the broker is responsible for the sale and issuing of the policy documents. The broker is also responsible for any advice - or clarity about not giving advice - as to the suitability of the policy at the point of sale.

The insurer MIC is responsible for ensuring the policy terms are clear.

When Mrs A bought the policy, the broker sent her full policy wording along with an Insurance Product Information Document (IPID). The IPID summarised what was and wasn't covered under the policy in addition to the full policy wording. Mrs A first bought her policy in 2022 and subsequently renewed it through the broker.

The IPID says MIC's policy provides cover in the event of a breakdown in the European country Mrs A broke down in. But, like most – if not all policies I've seen – it explains that it does not provide cover for parts, components, or materials used to repair the vehicle, including fuel.

The IPID also highlights the following under the heading; "What is not insured?;"

“Cover for European trips that do not start and finish in the UK or if a pre-booked return ticket has not already been purchased.”

The time limit of cover is also set out under the full policy wording.

“We will provide service in the Territorial Limits (Europe - West & East) or Territorial Limits (Europe - West) where the maximum duration of any trip under an annual policy does not exceed 45 days.”

And under General Exclusions;

“Cover for trips that do not start and finish within the Territorial Limits (UK) or if a pre-booked return ticket has not already been purchased.”

Mrs A says she doesn't dispute that the exclusion exists. But she says the exclusion was unfairly applied in her circumstances. She says return flight tickets show she intended to return to the UK within the 45 day limit for travel.

However, Mrs A also says she booked the flights because she couldn't return with her car as it was mechanically inoperable and required repairs before it could be driven back. And at the time of making her claim, the fact remains that no return travel had been pre booked.

I cannot safely conclude that because Mrs A booked return travel after her car broke down, which was within the 45 day period, this means MIC should meet her claim. I find the term was clear that the policy provides cover where return travel to the UK has been pre-booked. It is not unusual within the industry for insurers to apply a 45 day limit as a limitation to the scope of cover here. I understand Mrs A says the exclusion MIC applied means the policy wasn't suitable for her. But this doesn't mean the exclusion MIC has applied is unfair.

So I don't find that Mrs A's circumstances mean MIC should meet her claim. I think MIC's terms and exclusions were clearly set out under the policy wording. And I don't find MIC's decision to apply the exclusion when declining the claim to be unreasonable. I think it treated Mrs A fairly and as it would any other customer in the same circumstances.

My final decision

I'm sorry to disappoint Mrs A. But for the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 18 February 2026.

Geraldine Newbold
Ombudsman