

The complaint

Mr B complains that Advantage Insurance Company Limited (“Advantage”) declined a claim on his motor insurance policy because it thought he’d acted fraudulently.

What happened

Mr B had a motor insurance policy with Advantage covering his car. He bought the policy through a broker.

In August 2024 Mr B found his car had gone missing. He reported the theft to the police, contacted Advantage and made a claim.

Advantage investigated his claim and declined it. It said Mr B hadn’t told the truth about the key he used when driving the car.

It wouldn’t pay his claim and cancelled his policy.

Mr B complained, but Advantage didn’t uphold his complaint. So, he brought his complaint to this service.

He asks that Advantage settles his claim for the theft of his car in full and adds compensation of £500 for his distress and inconvenience.

Our investigator looked into it and thought it wouldn’t be upheld. He thought Advantage had acted fairly and in line with the policy terms when it declined his claim.

Mr B didn’t agree with the view. He asked that his complaint was escalated, so it’s 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.

Having read the file of evidence, I’m not upholding Mr B’s complaint. I appreciate the impact this will have on him, and I’ll explain why I’ve decided this.

Our approach in cases like this is to consider whether the insurer has acted in line with the terms and conditions of the policy, and fairly and reasonably towards Mr B.

The key reason Advantage declined Mr B’s claim revolves around the key(s) Mr B had.

When he took delivery of the car, in September 2023, Mr B said he was provided with two keys. After he reported the theft of the car in August 2024, Mr B was only able to find one key, which was the key that he said was with him on the day his car was stolen. It was this key he sent to Advantage.

But when Advantage inspected the key, which involved sending the key to a forensic key

expert, the report it obtained said that the key was last updated on the day the car was delivered.

Mr B clarified that he'd likely lost the other key and wasn't able to recover it for personal reasons.

The forensic key expert said the key would routinely be updated from the vehicle's systems when it was being driven, unless there was a fault with the car or the journey was very short. It said the likelihood of this system failing was very low. Its opinion was that the key was used as a 'spare' rather than a main key.

It's important I say that an expert report is given due weight by this service.

Advantage declined Mr B's claim under the fraud condition. This says:

"General conditions

You must comply with the conditions below. If you don't, depending on the circumstances, your insurer may be entitled to cancel the policy, refuse to deal with your claim or reduce the amount of any claim payment.

7. Fraud

You must not act in a fraudulent manner. If you, or anyone acting for you:

- Knowingly provide information to us that is not true*
- Make a claim under the policy knowing it to be false or fraudulently exaggerated in any respect*
- Submit a document in support of a policy or claim knowing the document to be forged or false in any respect*
- Make a claim for any loss or damage caused by your wilful act or with your knowledge.*

Then, depending on the circumstances:

- Your insurer may be entitled to refuse responsibility for the claim to which the alleged fraud or falsehood relates. They may also be entitled to cancel the policy or treat it as if it had never existed without refunding your premium."*

This type of wording is common in the insurance marketplace and I think its use here is fair.

In his response to the view, Mr B raised points about the expert report. He contacted his local main dealer for the brand of car, which provided some evidence about the nature of the key and its recording system.

I need to remind Mr B that it's not the role of this service to investigate claims. It's our role to assess whether Advantage has acted fairly and reasonably in how it's dealt with his claim. I can see he's researched the subject in some depth and provided statements from the main dealer and other documents he's found.

I've reviewed these, but I need to say that I don't find them persuasive. As I say above, this isn't our role, but I will comment that some of the links he's provided are quite old or non-existent, and the information from the main dealer seems self-contradictory, even though

some of it does relate to Mr B's concerns.

There's a comment on file from that main dealer saying "*The vehicle key does not keep information as to when the car was last used.*". Whereas the evidence from the forensic key expert says it regards the data from the key as being high quality and reliable. It 'read' the key and provided the date, time and mileage when the key was last used.

Mr B has pointed out that the expert has given its opinion about the status of the key being a 'spare' rather than the 'main' key. I agree that's the case here, but an expert can give their opinion and there's no evidence in the file that would reasonably lead me to think that its opinion was incorrect.

As I mention above, it's important that I give an expert opinion due weight.

It follows that I don't think Advantage has acted unfairly or unreasonably in how it's investigated Mr B's claim and subsequently declined it.

So, I'm not upholding Mr B's complaint and I'm not going to ask Advantage to do anything more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 March 2026.

Richard Sowden
Ombudsman