

The complaint

Mr B complains about how Tradex Insurance Company PLC settled a claim on his motor insurance policy.

What happened

Mr B held a motor insurance policy with Tradex. During bad weather Mr B hit a parked car while reversing.

Mr B complains about how Tradex settled that claim, ultimately accepting liability on Mr B's behalf. It paid Mr B's claim and the third party's and as a result recorded it as a fault claim and disallowed Mr B's no claims discount (NCD).

Mr B didn't think this was fair. He didn't think Tradex had taken into account what he called the contributory factors of the weather and how the third party vehicle was parked – which he said was in a dangerous place.

Tradex didn't change its stance. It said it had fairly accepted liability on Mr B's behalf given he was completing a manoeuvre and hit a stationary vehicle.

Mr B didn't think this was fair so brought his complaint to the Financial Ombudsman Service.

Our Investigator didn't recommend it be upheld. She thought Tradex's decision and actions were fair and reasonable and in line with the policy terms.

Mr B remained unhappy 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 but I'll not be commenting on every argument raised or piece of evidence submitted. Instead, in line with this service's informal role, I'll only be commenting on what I consider key to the dispute.

Mr B's policy, like most motor insurance policies contains a term allowing Tradex to “...*take over and conduct the defence or settlement of any claim...in the name of any person covered by this insurance policy*”.

This means the final say on how the claim is settled lies with Tradex. Naturally, this means it may make decisions its policyholders don't agree with. But while the decision lies with Tradex, it needs to make this decision based on the available evidence and conduct a suitable investigation into the claim to get that evidence.

Here, Tradex has said it accepted liability on Mr B's behalf because he was carrying out a manoeuvre and the other vehicle was stationary and parked. It said it wouldn't be able to recover the costs from the other driver (because they wouldn't have admitted liability or likely

have been found liable if the case proceeded to court). That's a reasonable decision.

I understand Mr B has said the weather was a contributory factor. That may well have been the case, but it doesn't make him any less liable or the third party any more liable for the accident. I also understand he's said the car was parked in an unsafe position and that Tradex didn't explore the "contributory negligence" of the third party by parking it there.

But I'm satisfied Tradex was entitled to simply accept liability on Mr B's behalf. At best, had Tradex pursued the third party, they would have likely only been partially liable for the accident, and the way claims are recorded would mean that would still be a "fault" claim on Mr B's policy. But ultimately I don't think Tradex needed to pursue that further, it considered the chances of successfully holding the third party responsible for the incident were thin. That's a decision it's entitled to take, and one I don't find unreasonable given the circumstances of the accident.

As such, I'm satisfied Tradex's decision to accept liability for this incident on Mr B's behalf and subsequently amend his NCD to reflect this was fair and reasonable and in line with the terms of the policy.

My final decision

For the reasons set out 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 Mr B to accept or reject my decision before 10 March 2026.

Joe Thornley
Ombudsman