

The complaint

Mr G complains that Tradex Insurance Company PLC responded unfairly to his claim on a motorcycle insurance policy.

What happened

The subject matter of the insurance, the claim and the complaint is a small motorbike that had first been registered in 2016.

Mr G acquired the bike. For the year from 8 March 2025, Mr G wanted a policy to cover the bike. He went onto a comparison website, gave certain information and got a quote.

He then telephoned an insurance intermediary or broker. The intermediary recorded that Mr G kept the bike overnight in a locked garage at home.

Mr G, through the intermediary, took out a policy branded with a trading name of the intermediary. Tradex was the insurance company that was responsible for dealing with any claim.

The policy schedule contained an endorsement as follows:

“E434 EXCLUDING THEFT WHEN NOT IN PRIVATE GARAGE AT HOME OR DECLARED GARAGING ADDRESS

You have agreed that you will keep your vehicle in your private locked garage or building, at your home and/or declared garaging address, to which only you and anyone with your permission have access. If a theft or attempted theft of your vehicle happens at any time and within a 500 metre radius of your home and/or declared garaging address when the vehicle is not locked in this garage or building we will not pay the claim. This restriction does not apply to any loss or damage occurring whilst your motorcycle is parked away from your home during the course of a journey”

I will refer to that as “the endorsement”.

On 14 May 2025, Mr G reported that someone had broken a padlock and stolen the bike.

Tradex used a policy administrator as its agent for the purpose of responding to the claim. Much of the complaint is about acts, omissions and communications of that administrator in responding to the claim on behalf of Tradex. Insofar as I hold it responsible for them, I may refer to them as acts, omissions and communications of Tradex.

Tradex said that Mr G had been keeping the bike in a communal shed. Tradex declined the claim and treated the policy as void. Tradex refunded Mr G’s payment of premium.

Mr G complained to Tradex that it wasn’t treating him fairly.

Mr G says he paid £193.00 to recover his bike.

By a final response dated 25 July 2025, Tradex turned down the complaint. Its final response included the following:

*“your vehicle was stored in a communal area rather than a private garage. As a result, the terms of your policy have not been met, and we are unable to consider your claim for settlement.
Consequently, your policy has been voided in line with the terms and conditions agreed upon at inception”.*

Mr G brought the complaint to us in late July 2025.

Our (first) investigator recommended (on 10 October 2025) that the complaint should be upheld. She didn't think that Mr G made a careless misrepresentation. She didn't think that the actions taken by Tradex were fair and in line with Consumer Insurance (Disclosure and Representations) Act 2012 (“CIDRA”).

The first investigator thought that Mr G had spent a lot of time and effort in trying to get his claim resolved. Also, Mr G was distressed as there was a voided policy marker against his record. The first investigator recommended that Tradex should:

- Reinstatement the policy
- Reassess the claim subject to the policy terms and conditions including the £193.00 cost paid to recover the bike. If the cost of the recovery is covered, Tradex should offer 8 % simple interest on this amount from the date Mr G made the payment until the date settlement is made.
- Offer Mr G £350.00 compensation for the distress and inconvenience caused.

Mr G and Tradex each provided further information. That included Mr G's information that the cost of repair was £448.00. Compared to the first investigator, our second investigator came to a different view.

Our second investigator didn't recommend (on 15 January 2025) that the complaint should be upheld. He thought that Tradex correctly voided the policy from inception. He thought that Tradex didn't have to consider the claim.

Mr G disagreed with the second investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- He answered the questions put to him honestly and based on his understanding at the time. He did not intend to mislead Tradex in any way. He relied on the broker-led telephone process to ensure the information provided was accurate. Had the storage definition been clearly explained to him during that call, he would've answered differently.
- He is not seeking any financial settlement or claim payment.
- His primary concern is the long-term impact that a voided policy has on his ability to obtain insurance in the future, particularly given that the misrepresentation has been accepted as careless rather than reckless.
- So he asks us to consider whether a proportionate and fair outcome might be one where the insurer and he simply part ways, without ongoing detriment arising from how the policy is recorded.

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.

CIDRA imposes a duty on a consumer to take reasonable care not to make a misrepresentation when taking out an insurance policy. A consumer is in breach of that duty if he makes a misrepresentation that is careless (or reckless or deliberate).

A careless misrepresentation is a "qualifying misrepresentation" under CIDRA if it makes the difference that the insurer wouldn't otherwise have offered cover at all or on the same terms.

For a qualifying misrepresentation, CIDRA gives the insurer certain remedies. The remedies depend on whether the insurer wouldn't otherwise have offered cover at all or wouldn't have offered cover on the same terms. If the insurer wouldn't have offered cover at all, then CIDRA gives the insurer the remedy of treating the policy as void and declining any claim.

From its underwriting evidence, I'm satisfied that Tradex wouldn't have offered Mr G a policy if it had known (in addition to the value of the bike and the postcode where it was kept) that he didn't store the bike in a private locked garage or building that met the endorsement.

Mr G must've been familiar with the brick building where he kept his motorbike. From the photographs, I've seen that the door isn't big enough for access by a car. The door has a sign saying "Cycle Store".

I've seen photographs of multiple bicycles inside and one other motorbike. However, I'm not satisfied that the building was intended for motor vehicles containing petrol.

Mr G has confirmed that at least one neighbour used the building. From the photographs, the signage and what Mr G has said, I find that the building was shared with multiple people who didn't live with him.

From the screenshot evidence Tradex has provided, I'm satisfied that the comparison website asked a question as follows:

Q: *"How is the motorbike stored overnight?"*

That question was accompanied by an explanatory note that included the following:

"Locked garage- a locked structure for housing motor vehicles, such as cars or motorbikes. It should be constructed of brick, concrete, steel or stone and on private property. This should be a garage used only for you and people living with you, not a shared garage for multiple residences."

I find that, before he contacted the intermediary by telephone, Mr G had access to that explanatory note and selected the answer "Locked garage".

I find that - for the purpose of setting up the policy – the intermediary was acting on behalf of Mr G rather than on behalf of Tradex.

From the call recording, I've noted that the intermediary asked Mr G questions and he provided answers as follows:

Q: *"where do you keep the bike when it's not in use?"*

A: *"the garage"*

Q: *"is this at your home address and locked all times?"*

A: *"yes"*

Q: *"what's the structure of the garage- is it brick, or concrete would you say?"*

A: *"its brick. It's attached to the flat so it's brick"*

The intermediary didn't ask Mr G what he understood by "garage" or whether it was shared.

Mr G must've known that the building was designated a cycle store and used by neighbours. And I consider that he was responsible, albeit through an intermediary, for a statement of fact document that included the following:

Q: *"Where is the vehicle normally kept at night"*

A: *"Garage"*

Mr G had had access to the explanatory note excluding a shared garage for multiple residents. So I'm not satisfied that Mr G took reasonable care to avoid making a misrepresentation to Tradex. I consider that he made a careless misrepresentation to Tradex that he kept the bike in his own private garage.

Also, the policy schedule was a short document setting out details of the policy. It contained the endorsement including the wording *"your private locked garage or building"*.

There's no evidence that Mr G contacted the intermediary to question this after he got the policy and before he made the claim. So that reinforces my view that he had made a careless misrepresentation to Tradex that he kept the bike in his own private garage.

I've been satisfied that Mr G made a careless qualifying misrepresentation. I've also been satisfied that Tradex wouldn't have offered Mr G a policy if it had known that he didn't store the bike in a private locked garage or building that met the endorsement.

So CIDRA entitled Tradex to the remedies of treating the policy as void (refunding the premium) and declining the claim. As those remedies were in line with CIDRA, I don't consider that Tradex treated Mr G unfairly by applying them.

I don't conclude that it would be fair and reasonable to direct Tradex not to record that it treated the policy as void. I don't conclude that it would be fair and reasonable to direct Tradex to do any more in response to this complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Tradex Insurance Company PLC to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 March 2026.

Christopher Gilbert
Ombudsman