

## **complaint**

Mr I complains that Gefion Insurance A/S cancelled his commercial motor insurance policy after he couldn't provide all the documents it requested. He wants it to pay the extra costs of his new cover due to the cancellation.

## **background**

Mr I was running a motor trade business buying and selling cars. Gefion asked him for evidence to validate his trading activity, including purchase receipts and copies of V5 registration documents. Gefion wasn't satisfied with the information Mr I provided. So it cancelled the policy. But Mr I felt he was being harassed.

Our investigator didn't recommend that the complaint should be upheld. He thought Gefion was entitled to validate the policy and cancel it if it wasn't satisfied with what it found. He thought Mr I hadn't provided it with all the information it requested. And he thought Gefion had cancelled the policy according to the policy terms and conditions.

Mr I replied that he didn't know why the policy had been cancelled. He asked why there had been a validation check on one car and why he couldn't add it to the Motor Insurance Database (MID). He said he'd now had to pay more for a new policy. He said Gefion's demands were unnecessary. He asked for his complaint to be referred to an ombudsman, so it's come to me for a final decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Gefion said it cancelled Mr I's policy because it didn't receive all the documents it requested to validate the policy and an acceptable explanation of his MID activity. Our approach in cases like this is to consider whether the insurer's acted fairly and reasonably and in line with the terms and conditions of the policy.

I've looked at Mr I's policy and I can see that the cancellation terms are set out on page 24. These state that Gefion can cancel the policy with seven days notice if there is non-compliance with the policy terms and conditions. The Statement of Fact says that satisfactory evidence of trading is required. It explains in detail what evidence is acceptable. And it says that Gefion monitors MID update activity.

Gefion had concerns about Mr I's MID activity. It asked him for an explanation and evidence to support his trading. Gefion asked Mr I for information about specific vehicles. I can see that Mr I didn't supply all of this by the date it was requested. Our investigator later asked him to provide it if he had it available. But I can't see that he did this. I can see that the policy terms and conditions require Mr I to keep vehicle documents for six years. So I think it was reasonable for Gefion to request these.

When Mr I didn't provide the requested evidence, Gefion issued Mr I with a seven day notice of cancellation letter. Mr I provided some information, but not all. So Gefion then cancelled the policy. I think this was fair and reasonable as Mr I hadn't complied with the policy's terms and conditions. So I can't say Gefion was wrong to cancel the policy.

Mr I said he couldn't add one car to MID. I've looked at Mr I's policy and I can see that it sets out the policyholder's MID responsibilities. It says that he can only add vehicles to MID that are owned by him, or registered to him or his business. As Mr I wasn't the owner or registered keeper of the car, he wouldn't be able to add this to MID.

Mr I said he felt harassed by Gefion as it had questioned him about advertisements it seemed that he'd placed for services outside the motor trade. Gefion said the policy was set up on the basis of Mr I being a full time motor trader. It said the policy wouldn't cover a secondary occupation. Gefion had evidence that Mr I had another occupation. So I can't say it was wrong for Gefion to ask Mr I about this.

I can see that Mr I has raised other concerns about his No Claims Discount as a separate complaint to Gefion. If he remains unhappy with its response, then he can bring his complaint to us.

### **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 I to accept or reject my decision before 7 November 2019.

Phillip Berechree  
**ombudsman**