

complaint

P, a limited company, complains that Covea Insurance plc declined a claim on its commercial motor insurance policy. P is represented in this matter by Mr M, its director.

background

Mr M said his daughter and employee, Miss G's, car was stolen from a car park. But Covea declined his claim for its theft as it said the car didn't meet its definition of an insured vehicle under the policy. It said this was because the car was owned by and registered to Miss G.

Our investigator didn't recommend that the complaint should be upheld. She thought the car's finance was taken out in Miss G's name. The policy only covered car's owned or leased by Mr M or P. So she didn't think it was unreasonable for Covea to decline the claim.

Mr M asked for the complaint to be reviewed. 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.

Covea said it declined the claim as it said the car wasn't an insured vehicle under the policy. Mr M said the car was registered to Miss G but it was owned by P and used for company business. He said the car was listed on the policy documents.

Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

I've looked at P's policy and I can see that insured vehicles are defined in Section 11 of the policy booklet. Cars need to be owned or leased by Mr M or P to be covered by the policy. The terms and conditions also exclude from cover cars owned by employees or relatives.

I can see that Miss G was the car's registered keeper, as shown on the V5 registration document. She had taken out finance to buy the car and the purchase receipt was in her name.

So, although Miss G may have used the car for business purposes, I think she was the car's owner. This excluded the car from cover under the policy. And so I think it was reasonable for Covea to decline the claim for the car's theft as it wasn't insured under the policy.

Mr M said he may have been misadvised about the cover for Miss G's car when he took out the policy through a broker.

The investigator has already suggested that he should raise this concern with the broker directly. 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 P to accept or reject my decision before 30 December 2018.

Phillip Berechree
ombudsman