

### **complaint**

Mr A complains about AXA Insurance UK Plc's decision to avoid his home insurance policy because of fraud.

### **our initial conclusions**

Our adjudicator didn't uphold the complaint. He thought AXA was entitled to avoid the policy given the discrepancies found.

### **my final decision**

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

When Mr A took out his policy, he didn't tell AXA about a number of previous claims made at his property (which I'll call House Z), including a claim for storm damage to the roof, and an escape of water claim. When AXA found out about these claims, Mr A said he had no knowledge of them as they were all made by his ex-wife who he let live in House Z. He says he wasn't living at House Z during the time the claims were made.

But Mr A made some motor insurance claims during the period in question, and gave House Z as his address. So I can see why AXA thinks Mr A was living at House Z during this time.

When Mr A's ex-wife made a claim for theft under one of her policies at House Z, the insurer apparently spoke with Mr A about the burglary. This would indicate that Mr A was aware of at least one of the claims made by his ex-wife at House Z.

There were also further discrepancies noted by AXA. Mr A told AXA's loss adjuster that he hadn't held home insurance before, and that he hadn't previously had policies cancelled or avoided, but that wasn't correct. Overall, I think AXA had sufficient reason to avoid the policy.

**My final decision is that I don't uphold this complaint.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Mr A either to accept or reject my decision before 30 October 2015.**

*Chantelle Hurn-Ryan*

*ombudsman at the Financial Ombudsman Service*

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

#### **ombudsman notes**

The policy says:

*“Throughout your dealings with us we expect you to act honestly. If you or anyone acting for you:*

- knowingly provides information to us as part of your application for your policy that is not true and complete to the best of your knowledge and belief; or*
- knowingly makes a fraudulent or exaggerated claim under your policy; or*
- knowingly makes a false statement in support of a claim...*

*THEN...*

- we may make the policy void from the date of the fraudulent act;*
- we will not pay any fraudulent claims;*
- we will be entitled to recover from you the amount of any fraudulent claim already paid under your policy since the start date;*
- we may not return any premium paid by you for the policy;*
- we may inform the Police of the circumstances.”*

#### **what is a final decision?**

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

#### **what happens next?**

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.