



summary of complaint

Mr N is unhappy that AXA Insurance UK Plc has rejected his claim under his Motor Caravan Insurance policy, for the theft of his vehicle.

background to complaint

Mr N suffered the theft of his vehicle, a motor home, in July 2011 and notified AXA accordingly. After investigating, AXA advised Mr N that it was unable to meet his claim as it noted a number of discrepancies surrounding the vehicle, and had concluded that Mr N had been the victim of a vehicle ringing scam. In its letter of August 2011, it explained that it appeared that the vehicle had been stolen and then 'rung' with the vehicle details of a normal panel van as opposed to the motor home. It concluded that it was likely that the original panel van had most likely been destroyed.

AXA advised that as far as it was concerned this was a matter for the police. It was of the view that as the vehicle had already been stolen and was someone else's property, it was unable to consider any claim for the vehicle's theft.

As AXA maintained its decision Mr N referred his complaint to this Service where it was considered by our adjudicator, who was minded to ask the business to reconsider its position referring AXA to this Service's published position on this issue and noted that:

- Mr N was not a UK National so may have been unfamiliar with the types of checks available to him prior to the purchase.
- He carried out some free online checks, which failed to highlight anything of concern.
- He considers he paid a reasonable market value, and believed the vendor was reputable.
- Mr N therefore believed that he had purchased a legitimate vehicle.

In response, AXA explained that it considered that its enquiries had demonstrated:

- That Mr N had concerns over the purchase, but still went through with it.
- He should have been concerned when the vendors address turned out to be a permanent traveller's site.
- The purchase receipt was the first of a new book.
- The purchase value was approximately 2/3's of the market value.

As AXA did not agree with the adjudicator the matter has been escalated to me for a final decision.

my findings

I have considered all the available evidence and arguments from the outset, in order to decide what is fair and reasonable in the circumstances of this complaint.

This is a difficult case to decide and as our published note outlines vehicle cloning or ringing is a problem in the second-hand vehicle market and occurs when criminals replace the number plates on a vehicle – usually a stolen vehicle – with the number plates of another similar vehicle. We usually consider the actions of the purchaser and whether it is reasonable to assume that they bought the vehicle in good faith.

In this instance Mr N undertook a number of free on line checks in an attempt to verify the vehicle and I agree with the adjudicator that, as a foreign national, he may not have been familiar with the intricacies of buying a vehicle in the UK. Either way, Mr N was satisfied with the checks undertaken and that he was buying it at a reasonable price. I am satisfied, from the evidence before me that he believed he had purchased a legitimate vehicle.

Other factors that this Service considers, as an indication of whether the consumer acted reasonably and in good faith at the point of purchase include whether they had a vehicle registration form, received a receipt showing the seller's contact details (even if they turn out to be false). Again, I am satisfied from the information before me that Mr N had these details and believed the vehicle to be legitimate.

I note that AXA believes that Mr N should have been alarmed by the fact that Mr N was buying the vehicle from a permanent traveller's site. I am not persuaded by its argument or that he should be swayed by any unfounded prejudgement at the time of purchase. He was satisfied that the vehicle was genuine and I do not believe that the average person would be overly alarmed by the fact that the receipt produced was the first in the receipt book. Although the valuation of the vehicle was on the low side it was not so low that Mr N would have been concerned.

Ultimately, I am satisfied, on the balance of probabilities, that the enquiries made show that Mr N acted reasonably and genuinely believed that his purchase was legitimate and that he insured it accordingly.

my final decision

It therefore follows that my final decision is that I uphold this complaint and order AXA Insurance UK Plc to deal with Mr N's claim in accordance with the policy terms and conditions, adding interest at our usual rate of 8% per annum simple from the date of the theft to the date of settlement.

I make no further award against AXA.

Colin Keegan
ombudsman