

## **complaint**

Mr U is unhappy that Admiral Insurance Company Limited turned down a claim he made on his motor insurance after his car was stolen.

## **background**

Mr U bought a used car in November 2016. He insured the car with Admiral. A few days later, it was stolen so he made a claim. The claim was declined because, on further investigation, it turned out that the car Mr U had bought was "*cloned*" – Admiral was able to identify that a car with the same registration plate was already insured.

It said this meant it didn't need to pay the claim. It argued that there was no cover in place because "*technically the vehicle doesn't exist.*" Mr U doesn't think this is fair. He said he did what he could to make sure he was buying a legitimate vehicle and doesn't think it's fair that Admiral has refused to settle his claim.

Our investigator looked at the complaint and thought Admiral had been wrong to decline the claim. She said that Mr U had taken reasonable steps to make sure this was a valid purchase. In particular, he'd carried out an HPI check to confirm the identity of the vehicle in question and he'd taken a receipt from the seller.

Admiral disagreed with the investigator's opinion. It said that, although Mr U had carried out an HPI check, it thought he probably hadn't verified the car by checking whether the Vehicle Identification Number ('VIN') matched the one in the car's logbook. If he'd done so, it says it's likely he'd have realised that it didn't match the car he was buying.

It pointed out that when Mr U made his claim, he told the claims handler that he didn't check the VIN because he didn't know what that was. Admiral has pointed out that when Mr U referred the complaint to us, he *did* say he'd carried out this check.

Since Admiral didn't accept the investigator's recommendation the complaint has been passed to me to make 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. And having done so, I agree with the findings reached by the investigator.

I understand the arguments that Admiral has made that the car Mr U has insured isn't the same one he bought. But this service has a well-established and long standing approach to cases of this kind. So long as Mr U has made reasonable checks before buying the car, insured it in good faith and had no reason to suspect its false identity, then Admiral should pay the claim.

I can see that Mr U carried out an HPI check and obtained a receipt from the seller. The only issue that Admiral has expressed any concern about is Mr U's apparent change in position as to whether or not he checked the VIN.

I understand why Admiral has brought this to our attention. But I'm not persuaded that Mr U has changed his position. He does appear to have told the claims handler that he didn't

check the VIN. But when he referred the complaint to this service, he actually says he checked the “*chassis*” number. He’s told us that he didn’t know that the VIN and the chassis number were the same thing.

So I think this issue is most likely explained by confusion about the correct terminology rather than Mr U changing his story. Overall, I think he took reasonable steps to make sure this was a legitimate purchase and so I think Admiral should (subject to any policy excess) pay Mr U the full market value of his car as if it hadn’t been cloned.

### **my final decision**

For the reasons I’ve set out above, I uphold Mr U’s complaint.

Admiral Insurance Company Limited should pay Mr U the full market value of his car (subject to any policy excess) as if it hadn’t been cloned.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr U to accept or reject my decision before 14 August 2017.

James Kimmitt  
**ombudsman**