

## **complaint**

Mr V has complained that Be Wiser Insurance Services Ltd wrongly thought he had nine years No Claims Discount (NCD) when he applied for his motor insurance policy. When it found out he had no NCD it arranged another policy with a much more expensive premium. As Mr V didn't pay all the premium instalments, Be Wiser cancelled his policy. Mr V then complained Be Wiser did not make him aware of the extent of the premium increase at the time.

## **background**

Mr V obtained a quote through Be Wiser for his motor policy in July 2014. He paid a deposit and agreed to pay the remainder of the premium by monthly instalments. When Be Wiser sent Mr V the policy documents, he noticed the spelling of his name was incorrect. These documents also showed his premium amount was based on a nine years NCD.

Later that month Be Wiser wrote to Mr V asking for proof of his NCD. Mr V called Be Wiser and explained that he had none and believed he told it in his original telephone call.

Be Wiser offered to cancel that policy and provided Mr V with an alternative policy through a subsidiary insurer. Mr V accepted the alternative policy and Be Wiser transferred the balance he had paid under his original policy to the new one and Mr V also paid a further amount for his deposit. It was also agreed that Mr V would pay the remainder of the deposit on 14 August 2014 and then continue to pay the rest of the premium by monthly instalments of £243.32. Be Wiser then sent Mr V his new policy documents on the same day confirming the payments Mr V would have to make.

Mr V then noticed his date of birth was incorrect on his new policy documents and when he contacted Be Wiser about this it agreed that the deposit he was due to pay on 14 August 2014 would now be reduced to £100.

Be Wiser then contacted Mr V on several occasions in an attempt to collect the remainder of the deposit amount. On 27 August 2014 Mr V contacted Be Wiser and said he was unhappy with the premium price and he asked it to find the call recording of his original call as he was sure that he didn't tell it that he had nine years NCD. Mr V later said that he also hadn't been told of the premium increase when his new policy was agreed.

The adjudicator who investigated Mr V's complaint didn't recommend his complaint should be upheld. He accepted that Mr V may have told Be Wiser that he had no NCD but he felt that Mr V had the opportunity to correct this when he received the policy documents. He also thought that the premium amount had been clearly explained in the new policy documents.

Mr V doesn't agree because he believes Be Wiser deliberately added the nine year NCD in order to later increase the premium when it discovered it had none. Therefore his complaint case has been passed to me to decide.

## **my findings**

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

Mr V has raised an issue about what has been said on internet forums about Be Wiser, however I am only dealing with Mr V's complaint against Be Wiser and what happened in his dealings with it.

Be Wiser doesn't have the recording of Mr V's original call in July 2014 when he was first applying for his policy.

On the same day as the original call, Mr V was sent his policy documents and the covering letter says the following;

*"Please carefully read both our Terms of Business and the Insurers Keyfacts statement concerning non-disclosure of material facts as any such matters may invalidate this insurance."*

Then in bold it says;

***"Your policy has been based on 9 years no claims discount. We ask that you provide details of this by email..."***

It also says;

*"Please be aware that if we do not receive this information within the next 14 days it may result in us having to contact you further. This will incur an additional administration fee of £25.00 to cover the additional costs involved in doing so."*

I think that even if Be Wiser made an error, it was clearly highlighted in their covering letter that they had assumed Mr V had nine year's NCD. As Mr V did notice the spelling of his name was incorrect, I think he also had the opportunity to explain to Be Wiser at that time that he didn't actually have any NCD.

After Be Wiser wrote to Mr V again for his NCD proof, he then said he had none. Be Wiser then offered Mr V another policy which he accepted and new policy documents were sent out on the same day. That covering letter also gives Mr V a breakdown of the new premium he had to pay.

As Mr V asked Be Wiser to correct his date of birth, I know that he read his new policy documents. Consequently I think that if he thought his premium was too expensive he could have cancelled his policy then. As it was he didn't so he remained insured under this new policy. The amount that Be Wiser is asking him to pay is the appropriate amount of the premium for the time he was insured under this policy plus their arrangement fee and cancellation charge.

Therefore I don't think that Be Wiser is wrong to ask Mr V to pay this amount.

### **my final decision**

For the reasons I've discussed above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr V to accept or reject my decision before 20 April 2015.

Geraldine Newbold  
**ombudsman**