

complaint

Mr K is unhappy that Tradewise Insurance Services Ltd have rejected his claim for theft. He wants them to pay his claim or refund the premiums.

background

Mr K took out insurance with Tradewise in January 2017 through a broker. The insurance was to cover the vehicle he used for his work as a recovery driver. Regrettably, in March 2017 Mr K's vehicle was stolen. He'd parked it on a road near the place where he worked part-time in retail. As a result of the theft, Mr K made a claim under the policy.

Tradewise rejected the claim for two reasons; they stated that the use of the vehicle during the time of the theft fell outside the terms and conditions of the policy. Additionally, the pictures Mr K had sent them in support of his claim showed a different type of vehicle to the one recorded in the registration documents. So Tradewise formed the view that the vehicle had been modified and modified vehicles aren't covered for theft. Mr K was unhappy with this decision, so complained to our service.

Mr K told us he hadn't modified the vehicle. He added that his English isn't good and as a result he didn't understand most of the information in the vehicle's registration document. He said he only checked that the make and registration of the car matched.

Our investigator looked into the complaint. He didn't think Tradewise's decision was unreasonable as they had declined the claim in line with the terms and conditions. Mr K disagreed. So the complaint has been passed to me.

my findings

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

modification

I've thought first about whether Tradewise were right to categorise the vehicle as modified. The pictures of the vehicle provided by Mr K show a flatbed truck whereas the vehicle registration document records the same vehicle (same registration) as a box van. Bearing in mind the difference between the picture and what's recorded in the vehicle registration document, I think it was reasonable for Tradewise to reach the view a modification had taken place.

Mr K doesn't accept that the vehicle has been modified. My understanding from what he's told us is that he bought the car with the flatbed already in place. It's possible he did, but other than what he has said, there's no evidence to support this. And, as outlined, the vehicle's registration document, which he had, records the car as something different.

Mr K has told us that his English isn't good and this has had an impact on the information he provided at application. I accept Mr K's English might not be good, but it would have been open to him to check or query any information connected to his application for insurance that he didn't understand. I can see from the paperwork available that Mr K told Tradewise that the vehicle was a recovery vehicle and his intention was to use it for recoveries. I understand he considers this to be an important point. However his claim wasn't declined on the basis

the vehicle was a recovery vehicle. The reason Tradewise declined his claim is because the vehicle appears to have been modified, and as outlined, cover for theft isn't available for such vehicles.

how the vehicle was used

Tradewise didn't just decline the claim because they thought it was modified. They formed their decision on a second reason based on how the vehicle was used. Tradewise state that when the theft occurred the vehicle was being used in a way that fell outside the terms and conditions of cover. I've checked what the policy documents say in relation to this point.

The insurance certificate states the following: ***"Limitations as to use. Social domestic and pleasure purposes of the Insured and the Insured's employee or partner, as specified in section 5 above, and in connection with the motor trade business of the Insured..."***

Mr K's motor trade business is recorded on the same certificate as ***"Vehicle Sales and Recovery"***.

Mr K had parked his car overnight whilst he completed his second job in retail. As this wasn't the business that cover had been agreed for, Tradewise were able to decline the claim on the basis that this use of the vehicle fell outside the terms and conditions of the policy. And the fact the car was parked doesn't make a difference. The policy documents go on to state that cover is only in place for the loss or theft of the vehicle when it is parked at *home*, being used socially or being used in connection with his work in recoveries. With these points in mind, I'm satisfied Tradewise were able to decline cover for this second reason as well.

my final decision

I don't uphold Mr K's complaint against Tradewise Insurance Company Limited.

I know Mr K will be disappointed, but based on what I've seen Tradewise have dealt with the claim in line with the terms and conditions. It may be that the brokers who sold the policy to Mr K didn't ask him the right questions at the point of sale and didn't explain the limits of the cover to him. If this is what he thinks happened, Mr K will need to raise this directly with them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 16 May 2018.

Tope Adeyemi
ombudsman