

The complaint

Mr and Mrs H complain Ageas Insurance Limited (“Ageas”) has unfairly declined a claim.

Any reference to Ageas includes respective agents or representatives that it has taken responsibility for.

What happened

The background of this complaint is well known between the parties, so I’ll provide a summary of events.

- Mr H is the policyholder of an Ageas motor policy, and Mrs H is a named driver.
- Mrs H was driving a vehicle owned by a relative when it was involved in a collision with a third-party motorist.
- Mr and Mrs H sought to make a claim on the Ageas policy, stating they understood Mrs H was insured to drive third-party vehicles.
- Ageas declined the claim, saying the cover to drive third-party vehicles was for its policyholders, not named drivers.
- Mr and Mrs H complained – saying the policy wording is confusing and contradictory and they believed this claim for Mrs H should be covered under the policy. They argued the principle of *contra proferentem* should apply here – which essentially means if the contract is ambiguous, it should be read in favour of the party that did not draft the contract.
- Ageas stood by its position, saying the policy had been consistent in explaining it did not cover Mrs H for driving other cars. It referred to section G of the policy which confirmed “You” was defined as meaning the policyholder. Which meant only Mr H - as the policyholder -, was insured to drive a car not belonging to him, providing certain conditions were met. It also referred to other documentation provided to Mr H including the policy book, statement of fact, IPID and certificate of insurance.
- So, the complaint came to this Service. One of our Investigators looked into what happened and didn’t uphold the complaint, saying the documentation provided to Mr and Mrs H made it clear that only Mr H was insured to drive other vehicles. In turn, Ageas’ declination of the claim was fair and reasonable.
- Mr and Mrs H disagreed, saying all of the documentation – including the certificate of insurance, statement of fact, IPID and welcome letter did not constitute a legal contract between them and Ageas. They reiterated their concern that the wording was unclear and highlighted the principle of good faith and consumer duty which meant customers should have a clear understanding of cover.
- The Investigator looked again. She said *contra proferentem* would only apply if the wording was unclear – which she didn’t think it was. And highlighted she’d also considered consumer duty rules, but that this hadn’t change her view.

So, the matter has come to me for an Ombudsman’s final decision.

What I've decided – and why

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

Having done so, I'm not upholding this complaint. I'll explain why.

My role as an Ombudsman at this Service requires me to say how I think a complaint should be resolved quickly and with minimal formality. That means I'll focus on what I consider to be the crux of the complaint.

Where I don't comment on every point made by the parties, that's not to say I haven't seen or considered them. I have carefully considered all points raised by both parties, but I do not consider it necessary to specifically reference them in reaching my decision. And when considering what's fair and reasonable in the circumstances, I have taken into account the relevant law and regulations, regulator's rules, guidance and standards and codes of practice.

This dispute comes down to the documentation provided by Ageas around what their policy does or doesn't cover. Mr and Mrs H believe this either states that Mrs H can drive a third-party vehicle, or that the wording is unclear and ambiguous around this, therefore the terms should be read against Ageas and in their favour.

With this in mind, I'm going to comment on all of the relevant documentation.

Mr H was sent a welcome pack after the policy was arranged.

This includes a welcome letter addressed to Mr H. It directed him to read through the pack, his certificate of insurance, the insurance product information document ("IPID") and his policy booklet. This also asked him to check his details shown in the statement of fact as the contract of insurance was based on this information.

The statement of fact included a heading that says "*What you told us you need from your insurance*" and below this, under a subheading of "*Drivers*" it said "*You want Insured and Spouse to drive your car*"

Below this, under the heading "*About you*" it included details of the policyholder (Mr H). It then listed details of the car. A further heading called "*About the drivers*" included details of both Mr H and Mrs H – listing Mr H as "*Policyholder*" and Mrs H as "*Driver 2*". It went on to list further details about the policy, and excesses under the policy. I'm satisfied this clearly set out that Mr H was the policyholder.

I've then reviewed the IPID. This includes a summary of cover with two columns saying what is insured, and what isn't insured. Under the "*what is insured*" column it says:

"Death or injury to other people or damage to their property caused by:

- *Your car*
- *Driving other cars (if your policy covers this)...*

To the right of this, under the "*what is not insured*" column it says:

"Driving other cars.

- *Only applies if shown on your certificate of motor insurance*

- *Only applies to the policyholder*
- *Only offers third party cover...*

From the summary document I'm satisfied this clearly sets out that only the policyholder would be able to drive "other cars" if this was shown on the certificate of insurance. And that cover would be limited to only third-party cover.

I've then reviewed the certificate of motor insurance. This says "*Name of Policyholder*" and lists Mr H's details. Under a separate section entitled "*Person or Classes of persons entitled to drive*" it says:

"The proposer and [Mrs H] only to drive.

The policyholder may also drive a motor car not belonging to the policyholder, not hired to the policyholder under a hire purchase agreement or not owned by or provided by an employer or business partner provided that... [sets out further terms around this].

I believe this clearly sets out that Mr H was the policyholder. And that he alone was entitled to drive a car not belonging to him. Mr and Mrs H have argued that it made "no drafting sense" to define Mr H as a proposer in one sentence, then a different term (policyholder) after. And that therefore the undefined term "policyholder" would extend to cover both Mr and Mrs H. But above this, under "2. Name of Policyholder" it specifically lists only Mr H. So, I don't agree with their comments that this is unclear.

I've then reviewed the policy book. As outlined above, only third party cover is provided for driving other vehicles. So, I've looked at section G – liabilities to third parties which details cover under the policy.

Under "*What is insured*" it says:

"Your policy provides cover for legal liability for the death of or injury to any person and damage to property caused directly or indirectly by:

You and your actions

- *You using the car...*
- *You using a car not belonging to you and not hired to you under a hire-purchase agreement or leased to you under a leasing agreement, as long as all of the following apply.*
 - *Your current Certificate of Motor Insurance allows you to do so...."*

So, it seems clear to me that the party defined as "You" is covered for third party cover to drive a car not belonging to them – providing this is allowed within their certificate of motor insurance.

Interpretation of the word "You" here has been disputed by Mr and Mrs H. It is common for words to have special meanings or definitions in policy books. So, I've looked at the "*Words with special meanings*" page of the policy. This says that "You, your" means:

"The person or company shown under "About you" on the Statement of Fact."

As I outlined above, the "*About you*" section of the statement of fact states that Mr H is the policyholder and does not include details of Mrs H. Furthermore, the certificate of motor insurance specifies that the policyholder (which is clearly set out as Mr H) and not a named

driver (Mrs H) is able to drive a vehicle not belonging to them. So, it seems clear to me that Mrs H was not entitled to drive another vehicle under this insurance policy. It follows that I think Ageas' declinature of the claim is in line with its terms and conditions and is fair and reasonable in these circumstances.

Mr and Mrs H argue that the principle of *contra proferentem* should apply within this case as they believe the policy is ambiguous. For me to be satisfied it should apply, I would need to be persuaded that the terms were ambiguous. Here I've set out my reasons for why the documentation provided by Ageas is clear, fair, and not misleading. So, this simply doesn't apply.

I note there was a dispute about the commentary within the welcome letter section that suggested commuting was excluded. And within the certificate of insurance it states that commuting is allowed. Ageas agreed it made a mistake in relation to this and said it issued a cheque for £50 to reflect this. This is not material to the accident or claim in question, so this isn't something that has changed my mind nor something I'd look to increase its previous award given the limited impact of that mistake.

Mr and Mrs H also raised concerns about other parts of the policy. I've considered all of these points in detail. I'm satisfied all of the documentation I've outlined above is clear that Mr H is the policyholder of this insurance policy, and only he (and not Mrs H) was insured to drive vehicles owned by others. As a result, even if I agreed with Mr and Mrs H that there were "*inconsistencies*" elsewhere in the policy, this simply would not change mind about the outcome of this claim.

Mr and Mrs H have also indicated they do not believe much of the documentation I've listed above (the certificate of insurance, the IPID, the welcome letter) form part of their contract with Ageas. This Service is an alternative to the courts, so it is not for me to say how a court might interpret such matters. But my role requires me to consider all of the evidence provided, and I'm satisfied the documentation outlined above is all relevant in determining what cover was available under this policy – and deciding if Ageas had been clear, fair, and not misleading in presenting this to Mr and Mrs H – which is what I've done.

My final decision

For all of the above reasons, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs H to accept or reject my decision before 20 June 2024.

Jack Baldry
Ombudsman