

## **complaint**

Mr C has complained amount the amount Advantage Insurance Company Limited paid him to settle his motorcycle insurance claim.

## **background**

Mr C claimed on his policy after his motorcycle was written off. Advantage said the motorcycle was a total loss and couldn't be repaired. Advantage checked the trade guides, but because the motorcycle was rare, it wasn't able to get a valuation. It also looked online but couldn't find any for sale in the UK.

Advantage offered Mr C £1,500 (minus his excess) to settle his claim as that was the amount he'd said his motorcycle was worth when he took out his insurance. Mr C didn't think that was enough. He complained to Advantage as he said his motorcycle was worth £2,500.

Advantage said the only adverts it could find were from the USA and that showed similar motorcycles being sold for around \$1,000. So, it thought the amount it had offered Mr C was fair.

Mr C didn't agree and brought his complaint to us. The investigator thought Advantage's valuation of £1,500 was fair as that was the amount Mr C had said it was worth. And he hadn't provided any evidence to show it was worth more.

Mr C remained unhappy. He said he didn't realise how rare and valuable his motorcycle was when he insured it. He also said using adverts from the USA wasn't realistic because he would have to pay to import a new motorcycle. He asked for an ombudsman's 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. Having done so, I'm not going to uphold it.

Mr C's policy says, in the event of his motorcycle being written off (known as a total loss) Advantage will pay him up to its market value.

It's not my role to value Mr C's motorcycle. But I look to see if Advantage has made him a fair and reasonable offer. Our service's usual approach to valuations is to consider the trade guides. But because Mr C's motorcycle was rare it's not listed in them.

Advantage said it checked online to look for a valuation, but the only similar motorcycles were in the USA. As there were no similar motorcycles for sale, I think it was reasonable for Advantage to rely on the information Mr C gave it when he bought his policy.

I can see from the call notes, that when Advantage was investigating Mr C's claim, he told it his motorcycle was worth £2,500 when he bought it around 15 years ago. And he said he thought it was still worth around the same amount. But Advantage's records show that when Mr C bought his policy he said he'd paid £1,500 for his motorcycle and that's what it was worth.

I think it's reasonable for Advantage to rely on the valuation Mr C gave it when he bought his policy. That's because I think he would have wanted to make sure he'd insured the full value of his motorcycle.

I appreciate Mr C might find it more expensive to import a motorcycle from USA but I don't think it means Advantage has to pay those extra charges. I've also looked online and have seen a recent advert, in the UK, for a motorcycle similar to Mr C's. While that motorcycle is a year older, it also has a much lower mileage. And it's being advertised for just under £1,500.

I understand Mr C's now bought that motorcycle for the advertised amount. He's said it will cost him around £500 to bring it up to the standard of the one that was written off. But I'm not persuaded that Advantage needs to pay Mr C anything else, as he was able to buy a similar motorcycle for the amount it paid him. And in any event, Advantage paid him the amount he said the motorcycle was worth when he insured it.

So, overall, I'm persuaded Advantage's valuation of £1,500 was fair and reasonable, and I'm not going to ask it to increase it.

**my final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 13 November 2017.

Sarann Taylor  
**ombudsman**