

## **complaint**

Mr P complains that Ageas Insurance Limited cancelled his motor insurance policy from the start (voided it) after his motorcycle was stolen. He wants it remove records of the voidance from all databases.

## **background**

Mr P's motorbike was stolen from a different address than the insured one. Ageas declined the claim and voided the policy because it said Mr P hadn't kept his motorbike in a locked garage. It said it wouldn't have offered cover if it had known that it wouldn't be kept in a locked garage. Mr P accepted that Ageas could decline his claim. But he thought he'd kept his bike securely stored and so the policy shouldn't be voided.

Our adjudicator recommended that the complaint should be upheld. She thought Ageas hadn't asked Mr P a clear question about where the bike was to be stored. She thought the garage requirement wasn't clearly defined in the policy. So she thought it was unfair for Ageas to rely on this to void the policy. She thought Mr P should retain his refunded premium. She thought Ageas should remove all records of the voidance from any databases where it was recorded and give Mr P a letter to confirm this.

Ageas replied that it disagreed. It asked for an ombudsman's review, so the complaint's come to me for 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.

Mr P's bike was stolen from another address where he'd stored it in a locked compound. He accepts that he should have told Ageas about this arrangement and that it's reasonable for it to decline his claim for the theft of his bike. So I won't consider this further.

Ageas said it voided the policy because it found that Mr P didn't have a garage at his address. It said the policy required the bike to be kept in a garage at the insured address overnight. But Mr P said he kept the bike in his house. He said he'd chosen the closest option to this when he took out the policy.

Ageas also said it would have declined the policy if it had known that the bike was to be kept at another address behind locked gates. But I think Ageas has already established that Mr P made this change after he'd taken out the policy. Misrepresentation occurs when a policy is taken out or at renewal. So, whilst I think this may have been a reason to decline the claim as the new risk was unacceptable, I don't think it's a fair reason to void the policy.

Ageas said that when Mr P took out his policy he'd misrepresented where the bike was to be stored overnight. Mr P took out his policy online through an intermediary's website. Ageas said he'd ticked that the bike was to be stored overnight in a locked garage. But it found that Mr P didn't have a garage at his home address.

Where a complaint arises from misrepresentation of information important to an insurer, we take into account the relevant legislation. We look firstly to see that it asked a clear question when the policy was taken out.

The website Mr P used to take out his policy gave three options for where the bike was to be kept. These were road, driveway or locked garage. No definition is provided for locked garage. But Mr P's policy has a garaging warranty clause. This says that, for cover to apply, the bike must be kept in a locked and secured building at the insured address.

When Mr P took out his policy, he kept his bike inside his house. I think that's a locked and secured building. I think Ageas didn't make it clear what it meant by a locked garage. When an insurer's questions are ambiguous, we think this may lead a consumer to unwittingly provide an incorrect answer. So in these circumstances we favour the consumer.

I think Mr P took reasonable care to answer the question correctly. He intended for his bike to be stored securely in his locked house. There was no option for this, so he chose what was closest. So I don't think Mr P made a qualifying misrepresentation under the relevant legislation. And I don't think it was fair and reasonable for Ageas to rely on this to void the policy.

Ageas said that the intermediary's website wasn't more specific about the garage definition because of the different requirements of the panel of insurers that used it. But I don't think this is a sufficient reason to penalise Mr P.

So as the policy was voided unfairly, I think Ageas needs to remove records of the voidance from any databases where it's recorded. I understand that Ageas refunded Mr P's premiums in full. I think that in the circumstances it's fair and reasonable for Mr P to retain this to compensate him for the trouble and upset caused.

### **my final decision**

My final decision is that I uphold this complaint. I require Ageas Insurance Limited to do the following:

1. Remove any record of the voidance or cancellation from any databases, internal or external, where it's been recorded.
2. Provide Mr P with a letter of confirmation when this has been removed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 28 November 2019.

Phillip Berechree  
**ombudsman**