

complaint

Mr R and Mr M complain that Great Lakes Reinsurance (UK) SE mishandled a claim on a travel insurance policy.

background

Mr M bought an annual travel insurance policy branded with the name of another company and underwritten by Great Lakes. It covered Mr M and his partner Mr R. They went on holiday outside the European Union (and the scope of its reciprocal health arrangements). Mr R was on a small motorcycle with a 110cc engine when unfortunately someone hit and injured him. Mr M and Mr R complained that their insurer wouldn't pay Mr R's medical expenses.

The investigator didn't recommend that the complaint should be upheld. He didn't think that the company was wrong to decline the claim on the grounds that Mr R had been engaging in an activity that the terms of the policy didn't cover. The investigator said Mr R was insured for riding motorcycles for which he had a valid, full UK motorcycle licence. But he wouldn't be legally allowed to ride anything higher than a 50cc bike in the UK.

Mr R disagrees with the investigator's opinion. He says, in summary, that he did try to check with his insurers before he went on holiday but he got no response.

my findings

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

Where I refer to Great Lakes or the insurer, I include its claims handlers and any other parties for whose actions I hold Great Lakes responsible.

From what he's said, Mr R passed his driving test in about 1989 but he hasn't done the compulsory basic training which was later introduced for riding small motorcycles. And he hasn't passed the test for a motorcycle licence.

Mr R told our investigator that - before he went abroad - he'd asked the insurer about insurance for hiring a small motorcycle. But - although the investigator asked him - Mr R didn't provide any details or evidence of when he contacted the insurer.

In any event he says the insurer didn't respond. And I'm satisfied that the policy terms made it clear enough that it wouldn't cover medical expenses for injury while riding a bike which Mr R didn't have a licence to ride in the UK. I don't think that's an unusual or unfairly onerous policy term.

Although he says he'd stopped at a red light, Mr R was on a bike he didn't have a full licence to ride in the UK.

From the call recordings, I don't think Great Lakes said it would meet the claim without further investigation.

And - after it checked his driving licence - I don't think Great Lakes treated Mr R (or Mr M) unfairly by turning down the claim.

Therefore I don't think it would be fair and reasonable to order Great Lakes to pay the claim or to do anything more in response to this complaint.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against Great Lakes Reinsurance (UK) SE.

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

Christopher Gilbert
ombudsman