

The complaint

Mr M complains that Tradex Insurance Company Limited (“Tradex”) mishandled his motor trade insurance policy.

What happened

Mr M contacted a broker about motor trade insurance. Mr M said he had three years no-claims discount (“NCD”). Mr M took out a policy from late May 2022. Tradex applied a 55% discount for three years’ NCD.

Much of the complaint is about acts or omissions of the broker on behalf of Tradex. Insofar as I hold Tradex responsible for them, I may refer to them as acts or omissions of Tradex.

Mr M provided certain evidence of his driving history.

Tradex wasn’t satisfied with Mr M’s evidence of NCD. So, by March 2023, it withdrew the discount and increased the premium.

In March 2023, Mr M complained through the broker to Tradex that it wasn’t treating him fairly.

By a final response dated early May 2023, Tradex turned down the complaint.

Mr M brought his complaint to us in mid-October 2023.

Our investigator didn’t recommend that the complaint should be upheld. She didn’t think that the insurer had treated Mr M unfairly.

Mr M disagreed with the investigator’s opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- There was an earlier call with the broker from January 2022.
- He had no car from February to May 2022.
- He has provided evidence of his NCD.

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.

From the recording of the call in April 2022, I’m satisfied that – in answer to the broker’s question- Mr M said he had three years’ NCD. So I don’t find it relevant or proportionate to ask the broker for a recording of any earlier call in January 2022.

The final response said that in June 2022, Mr M sent an email with evidence of his NCD, but that showed a policy that had expired in mid-September 2021.

Mr M said that he'd been driving under his employer's taxi insurance. I've seen a taxi insurance certificate in his name for the period 10 December 2021 to 6 February 2022. I've also seen a message from the taxi insurer saying that there had been no claims during that period.

However, there is a gap in October and November 2021 and another gap in March and April 2022 for which Mr M hasn't provided documents.

Overall Mr M didn't provide evidence that, before late May 2022, he'd had three years of driving with no claims.

Tradex declined to accept that Mr M had three years' NCD at the start of the policy in late May 2022. So it removed the discount and increased the premium. I don't consider that Tradex treated Mr M unfairly by taking this action.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Tradex Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 April 2024.

Christopher Gilbert

Ombudsman