

The complaint

Mr M is unhappy with the decision made by Amtrust Europe Limited (Amtrust) following a claim attempted under his car breakdown policy.

What happened

Mr M purchased breakdown cover for his car in November 2023. The policy booklet included the following exclusion '1. Any Claim for anything which happens during the Inception Period.'

The definitions sections explained:

Inception Period Means a period of 46 hours from the Inception Date before You, or anyone driving the Vehicle, is able to make a Claim on this Policy.

The terms and conditions explained:

You must provide evidence of Your Vehicle's MOT (where applicable) and/or receipts/invoices for any work that has been undertaken as a result of a Breakdown or in the recent past if We ask You to. We may also ask for proof that Your Vehicle has had a Full Service within the last 12 months before the date of Your Vehicle's Breakdown.

Cancellation Of Your Policy If You cancel this Policy within 14 days from the day You bought it or the date You received all of the documents (whichever date is later) You will receive a full refund of premium less Our administration fee of £10.00.

The Insurance Product Information Document (IPID) stated:

What is not insured?

- *Any fault that was present before the inception of the policy*
- *Claims relating to a previous fault where a full repair has not been undertaken*

Within 46 hours of taking out breakdown cover Mr M contacted Amtrust to make a claim. Amtrust informed Mr M that as he was within the inception period, the claim wouldn't be accepted. Mr M asked to cancel his cover. Mr M was told he would receive a refund of his policy premium but it would be subject to a £10 administration fee. Mr M decided not to proceed with cancellation at that time.

A few days later, Mr M contacted Amtrust saying he required assistance following a breakdown. Mr M was asked to provide evidence of the proof of repair completed after his breakdown request from a few days earlier. Mr M said he didn't have an invoice or a receipt to confirm this because the repairer hadn't given him one. Amtrust told Mr M without this evidence it wouldn't be able to cover his claim. Mr M cancelled his policy and incurred a £10 administration fee. Mr M wasn't happy with the handling of his claim, and referred his complaint to this service.

Our investigator found that Amtrust had acted fairly and reasonably in applying the policy terms and conditions, and didn't recommend it take any steps to put things right. Mr M disagreed with the investigator's view. As the complaint couldn't be resolved, it has been passed to me for 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that's been provided.

Mr M feels strongly that his version of events haven't been given proper consideration when assessing his claim. When we investigate a complaint about an insurer's decision on a claim, our role is to consider whether the insurer handled the claim in a fair and reasonable manner. To decline Mr M's claim, I would need to be satisfied that Amtrust has acted fairly and reasonably in its application of the policy terms.

I'm satisfied the policy terms made it reasonably clear to Mr M that *'You must provide evidence of Your Vehicle's MOT (where applicable) and/or receipts/invoices for any work that has been undertaken as a result of a Breakdown or in the recent past if We ask You to'*. Mr M, in taking out breakdown cover with Amtrust, had agreed to this condition.

I've considered what the policy was designed to cover, and the purpose of the condition requiring proof of repairs before agreeing to a claim in specific circumstances. I've seen that the IPID explained that the policy would not offer cover in specific circumstances, for example *'Any fault that was present before the inception of the policy'* and *'Claims relating to a previous fault where a full repair has not been undertaken.'*

After contacting Amtrust to make a claim for the second time, Mr M explained that he had used a local repairer to fix his car, and the repairer did not provide a receipt for the work done. I appreciate Mr M was left in a difficult position. And Amtrust's refusal to offer cover without proof of repairs would've caused Mr M upset and stress.

But I think it was reasonable for Amtrust to apply the policy condition for requesting proof of repairs completed, before agreeing to cover Mr M's claim. In reaching this decision, I've considered the short time between Mr M taking out his policy, attempting a claim during the inception period, and then attempting a second claim only days later. By requesting evidence of repairs completed, Amtrust would've been better able to determine the issues present in Mr M's car in the days preceding the policy being taken out, the repairs completed following the inception period, and any link between the repairs and the events leading to Mr M having to make a second claim on his policy.

The policy required Mr M to provide receipts/invoices for any work that has been undertaken *'in the recent past if We ask You to'*. This type of term is common in a policy like Mr M's. In the circumstances of Mr M's claim, considering the short timescales involved between the start of the policy and the two attempted claims, I think Amtrust acted reasonably in asking Mr M to provide evidence of the repairs completed. And as Mr M wasn't able to provide this, it was also reasonable for Amtrust not to agree cover for Mr M's claim.

Mr M chose to cancel his policy. Mr M received a refund of his premium less the administration fee of £10.00. Although frustrating for Mr M, the administration fee deduction

was in line with what Mr M was told would happen if he cancelled his policy within 14 days of taking it out. So, I won't be asking Amtrust to offer any additional refund to Mr M.

My final decision

For the reasons provided I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 June 2024.

Neeta Karelia
Ombudsman