

Car keys should never be left in the car

The insurance does not provide cover if the owner has left the key in the car and the car is subsequently stolen.

By Martin Wex

An employee may be required to pay substantial compensation after his company car was stolen and destroyed by the thieves. He had parked the car in a private, well-lit car park, concealed the key to the car in the centre console, and locked the car using an app on his mobile phone. Unfortunately, this was not enough.

»The theft and total loss were reported, but the insurer declined to cover the cost because, in its view, the employee had acted with gross negligence by leaving the key in the car. In such circumstances, the insurance policy does not provide cover,« says Jette Rafn Petersen, an insurance broker at Willis, a WTW business.

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Insurance Broker, Willis

The policy terms state that the insurance does not cover »loss or damage caused intentionally or through gross negligence pursuant to Section 18 of the Danish Insurance Contracts Act«, and the company was therefore informed that the claim had been rejected.

Who should pay the bill?

The leasing company, however, had its loss covered because the insurer concluded that the leasing company »was not aware that a key had been left in the car«. Instead, the insurer issued a claim for more than DKK 200,000 against the company, which must

now determine whether the cost should be borne by the company that leased the car or by the employee who was using it.

»We have reviewed the case on behalf of our client, and there is well-established case law in this area, as the Insurance Complaints Board has previously found in favour of insurers in similar cases. Unfortunately, there is therefore very limited scope for challenging the insurer's decision in this matter. This naturally places both the employee and the company in a highly unfortunate and costly position, which is why I would strongly emphasize that keys should never be left in a car,« says Jette Rafn Petersen.

The decisions in the earlier cases can be found on [the website of the Insurance Complaints Board](#) by searching for case numbers 90948 and 92635.