

## The complaint

K, a limited company, complains TBO Services Limited provided an inaccurate description of its business when arranging insurance. And that led its insurer to decline a claim and void its policy.

## What happened

K has a Tradesman Combined Policy (which included employer's liability cover) arranged through TBO. In March 2020 an employee of K was injured at work and made a claim against it. K claimed on its policy. Its insurer investigated the claim and said the description of K's business on its schedule didn't match what it actually did. And if it had known the true position it wouldn't have offered cover. So it said it would be voiding the policy and refunding the premiums K paid.

K said its business description as listed on the schedule had changed. It thought TBO was responsible for that. It said it only became aware this had happened following its claim to the insurer and the policy voidance. TBO said the business description had been set out in policy documentation over many years and K had confirmed this was correct in conversations with it. And that was the information it had passed on when arranging this insurance.

Our investigator was satisfied the documentation did make clear the business description and K had confirmed that was correct in conversations with TBO. So she didn't think TBO had done anything wrong. K asked for a final decision but didn't make any further representations. So I need to reach a final 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.

TBO arranged cover for K on a non-advised basis. So under the relevant rules, it didn't need to ensure the policy was suitable for it. But it did need to provide K with clear, fair and not misleading information so it could decide for itself if the policy was right for it.

K's insurance has been arranged through TBO since 2012 although the earliest documentation available is from 2014. At that point K's business was noted as "*alarm installation*" but a policy endorsement amended that to reflect what it actually did. But that endorsement was removed the following year; TBO believes that was by the insurer. However, the schedules for all policies taken out since then describe K's business as "*alarm installation*". That description was also included in the 'Statement of Fact' sent to K which set out the basis on which the insurer had agreed to provide cover and said "*You must check all the information contained in this Statement of Fact and Your Schedule and contact Your Insurance Adviser immediately if any details are incorrect or incomplete. Failure to do so may mean that Your policy is not valid or We may not be liable to pay all or some of Your claim(s).*"

I don't know exactly what information was provided to K in 2015 when the endorsement was removed from its policy but I think it would have been aware from the information that was subsequently provided of how its business was being described. I've also listened to calls prior to renewal of the policy. In these TBO runs through the information contained in the 'Statement of Fact' and K confirms that's correct. In particular in the calls preceding the 2018 and 2019 renewal TBO says "*we've got you down as alarm installation*" to which K answers "yes". At the 2020 renewal TBO says "*we've got you down as a limited company established in 2007 and 100% of your trade is alarm installation*". Again K confirms that's correct.

I appreciate that description wasn't in fact accurate. But I think there was clear information provided to K about this by TBO and K didn't challenge this. In fact it told TBO that description was right. So I don't think TBO did anything wrong in arranging insurance cover on the basis of that information.

### **My final decision**

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask K to accept or reject my decision before 6 September 2023.

James Park  
**Ombudsman**