

## **The complaint**

Mr D complains that Broker Experts Limited (BEL) charged him a fee for cancelling a motor insurance policy he was taking out.

## **What happened**

Mr D was looking to take out motor insurance. He used a comparison website, which took him to BEL's website. He says he entered his details but never received any policy documents in any format. Shortly afterwards the policy was cancelled and BEL charged him a £75 cancellation fee.

Mr D wasn't happy about the cancellation fee and complained to BEL. BEL said a policy was purchased following Mr D's online application and a deposit paid. BEL said that during its standard verification process, it was found that Mr D hadn't disclosed relevant claims history. BEL said it appreciated this may have been an oversight but due to the underwriting process it was essential that the details entered online accurately reflected Mr D's claims history as this directly impacted the policy terms and premium. BEL said in accordance with its terms of business, it charged £75 for the cancellation, which reflected the reasonable administrative expenses incurred in policy processing, validation and cancellation.

BEL said that additionally, a £50 validation fee would normally apply due to the non-disclosure, but as a gesture of goodwill, it had already waived this fee.

Mr D wasn't happy with what BEL said so he complained to this service. Our investigator didn't uphold his complaint. She said she didn't think BEL had acted unfairly as during the process of taking out a policy online, customers have to tick a box to acknowledge they have read and understood the terms and conditions. She said that in the terms and conditions, which Mr D said he'd read, understood and agreed to, it said that all the information entered online would be validated and additional verification processes completed. She said it therefore seemed reasonable to say that an error was made by Mr D but not by BEL. The investigator said that the administration costs were reasonable.

Mr D wasn't happy with what the investigator said so his complaint has been passed to me. Mr D wants a full refund and compensation for time wasted and damage caused. Our investigator asked him to specify what damage had been caused and time wasted but he didn't provide any further explanation.

## **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 don't uphold Mr D's complaint. I'll explain why.

BEL has provided a screenshot of the webpage on the comparison site Mr D used, which stated:

*“Please tick this box to confirm you have read and understood our website Terms and conditions [link to terms and conditions] Privacy policy [link] About us [link] Rewards terms and conditions [link]. If you do not understand any items within these documents please Contact us [link].”*

There was then a box which had to be ticked next to the words “I agree” before quotes could be obtained.

The terms and conditions reached via the link stated several times the importance of ensuring that all information provided was accurate and complete.

BEL also said that after selecting its quote, Mr D was redirected to its website, where he was presented with key policy documents, its Terms of Business, and fee information prior to reaching the payment stage. BEL has told this service that before proceeding to payment, customers are required to accept its Terms of Business and Privacy Policy, and Mr D confirmed acceptance as part of the online purchase journey.

BEL has provided this service with a link to the terms and conditions on its website which stated:

***“Validating your details***

*...It is important that you have entered all the details correctly online. If you have not done so then you may find your premium is withdrawn, voided or an additional premium is required. All our premiums are subject to satisfactory validation and verification results.”*

BEL has told this service:

*“During the validation process, it was identified that two additional fault claims were not disclosed at the time of application. In addition, the no claims bonus information that was provided (6 years) was not the case upon validation.*

*These discrepancies are material to the underwriting decision. Warnings are presented throughout the on line journey clearly stating that all information must be accurate and complete and that failure to disclose relevant information could result in the policy being cancelled or voided.*

*While we cannot definitively comment on [Mr D's] intent, the incorrect and incomplete information provided, despite warnings, suggests the details were not entered with due care. In accordance with the terms of our underwriting agreement, the underwriter retains the right to refuse cover where material information, such as previous claims is not disclosed. That right was exercised in this case.”*

I think that BEL was clear and specific about the need to provide correct information. And I can't see that Mr D disputes that he provided incorrect information. BEL has told this service that because the material non-disclosure was identified prior to the release of documents and confirmation of cover, it did not set up the policy, and no cover was issued. BEL has also told us that due to the nature of the non-disclosure and its underwriting criteria, no alternative terms were offered. I think this was fair and reasonable in the circumstances.

The Terms and Conditions on BEL's website which Mr D ticked to say he had read and agreed to stated:

***“Fees & Charges***

*Our professional charges are as follows - all of these are separate and in addition to any*

*insurance premium, calculated commissions, insurer charges, premium finance provider fees or interest charges...*

*Cancellation charge within first 14 days or before the policy starts. £75 (\* Validation administration charge may also apply below).*

*\* Validation administration charge - if cancellation or a mid-term alteration to the policy is necessary due to misrepresentation, non-disclosure or inability to validate information provided. Additional charge of £50."*

BEL has told this service that the £75 charge covers "*the administration costs associated with processing the application, preparing documentation, running background checks, licence, ID and CUE, etc.*"

BEL has provided a breakdown of its costs which in fact comes to more than £75. Our investigator has sent this to Mr D. The amount may be different from that charged by other businesses, as Mr D has pointed out, but I think it is to be expected that different businesses will have different staffing and administrative processes and so it is to be expected that their costs will vary. I think this amount is fair and reasonable and in line with what this service would expect.

Mr D has said BEL should have given him a 14-day cooling off period in which he could have cancelled the policy without incurring a charge. However as BEL wasn't prepared to offer him cover because of the undeclared previous claim history this wouldn't apply.

### **My final decision**

For the reasons given above I don't uphold Mr D's complaint. So I won't be asking Broker Experts Limited to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 November 2025.

Sarah Baalham  
**Ombudsman**