

The complaint

A limited company I'll refer to as "1" complains BROWN & BROWN INSURANCE BROKERS (UK) LIMITED ("Brown") provided it with an unsuitable insurance policy and failed to disclose commission.

What happened

The details of this complaint are well-known to the parties, so I won't repeat them here. Instead, I'll focus on the reasons for my 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.

1 is the freeholder of a multi-occupancy building. Mr K – a representative of 1 – says Brown incorrectly classified the policy as a commercial policy, which is wrong, as no commercial activities are undertaken by 1, nor in the insured premises. Mr K also says Brown didn't disclose a 30% commission arrangement until after the policy was in place, which he says is fraudulent and deceptive. He says had 1 been aware of this, it would have sought alternative insurance arrangements.

Brown says the policy was arranged for 1 in its capacity as a limited company, not a natural person, so it was treated as a commercial customer. It also said the commission didn't need to be disclosed to 1 before policy inception. And in any case, its terms of business included within insurance documents sent to 1 set out its remuneration, administration fees, and confirmed 1 was able to ask for full details of the income earned by arranging the insurance.

Mr K has complained on 1's behalf about the policy renewals in 2024 and 2025. Therefore, the scope of my review is limited to these two policy years, and Brown's role in arranging the renewal of these policies. My review has determined the complaint should not be upheld. This is for the following key reasons:

- 1's query to Brown regarding the reference to "business" within insurance documents was fair, given it operates in its capacity as a limited company – the freeholder of the building. But I am satisfied Brown took reasonable steps to explain its reasons why a commercial policy was suitable for 1. I've explained these reasons above. It follows I don't find Brown made an error when arranging a commercial insurance policy for 1.
- Mr K says had 1 known Brown received 30% commission for arranging the policy, it would have sought alternative arrangements. Mr K hasn't provided supporting evidence to demonstrate he was able to seek alternative arrangements. In fact, in 2025 the policy lapsed, but Mr K returned to Brown to request it arrange a policy on 1's behalf. But in any case, Brown – like other commercial insurance brokers – is required to disclose the amount of commission it receives upon request. It follows it wasn't duty bound to share this with 1 without prompt before the 2024 and 2025 policies came into force. So, I don't find Brown made an error here.

- Further, Brown sent policy information to 1 following the 2024 and 2025 renewals. These contained its terms of business which set out, amongst other things, its remuneration structure, and policy administration fees, which I am satisfied was clear, fair and accessible. These documents also confirmed 1 was able to ask for full details of the income it earned by arranging the insurance.

In conclusion, I am satisfied Brown treated 1 fairly when arranging a commercial insurance policy for it, and I am satisfied Brown made clear enough its commission structure and 1 could request the details, so I don't uphold the complaint. If 1 is dissatisfied with the amount which it paid in premiums for the insurance policy, or aspects of the performance of the contract of insurance itself, it will need to complain to the underwriter of the policy in the first instance for it to have the opportunity to respond.

My decision ends what we – in attempting to informally resolve 1's dispute with Brown – can do for it in the specific circumstances of this complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask 1 to accept or reject my decision before 9 February 2026.

Liam Hickey
Ombudsman