

The complaint

Mr H has complained that Caspian Assured Ltd trading as Caspian Insurance Services ('Caspian') gave him incorrect advice about an income protection policy he bought.

What happened

Mr H spoke to Caspian about an income protection policy which he bought as he owned a business.

Mr H made a claim which the insurer accepted. As he was then closing his company down, he asked for the policy to be changed to a personal policy but says that he faced challenges.

Mr H complained to Caspian about the advice it had given to him. It apologised for not fully explaining the process of being able to change to a personal policy but said that overall, at the point of sale, the advice it gave about being able to contact it about a personal policy was accurate.

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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

The relevant rules and industry guidelines say a seller must ensure a policy is suitable for the customer's circumstances. So I have considered the conversation Mr H had with Caspian about the income protection insurance policy he was buying.

The background to this matter has been set out in quite some detail by the investigator. And I have carefully considered everything both parties have said even if I don't explicitly address every point in my decision. I won't repeat the facts here again. Instead I will focus on what I consider to be the crux of the complaint and what is key to my conclusions.

Mr H spoke about the cost saving element as well as his outgoings, his income and how much benefit he would need. The policy was suitable as he would be paying less for the same cover compared to a personal policy.

Mr H asked if he would be able to switch back to a personal policy in the future. Caspian told Mr H that if he closed down his business and became employed again, he could make Caspian aware and they would swap it to a personal policy.

Caspian accepts that it could have provided more advice and information to Mr H around this point and has apologised. But I don't think he would have done anything differently even if Caspian had provided more detail around a reapplication process. As at that point, Mr H didn't know he would need to make a claim and Caspian wouldn't be expected to set out all possible scenarios. So even if Caspian correctly told Mr H that a new application in future would be based on his medical history and health at the time as well as his circumstances, I don't think he would have done anything differently.

My decision is limited to the sale of this policy and not the insurance claim or insurer. Mr H says he was unable to switch policies after his claim but I can't consider the reasons why the insurer refused to switch policies in this decision. That would be subject to the terms and conditions of the policy and not something Caspian is responsible for.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 11 March 2026.

Shamaila Hussain
Ombudsman