

## **The complaint**

Mr B complains about the claim amount The Royal London Mutual Insurance Society Limited paid under a life insurance protection plan he held with Mrs B.

## **What happened**

Mrs B sadly passed away and Mr B made a claim under their life insurance plan.

Royal London paid the claim however Mr B thought the amount should be higher due to indexation of the policy. Royal London said the claim amount was correct, but Mr B remained unhappy so brought his complaint to our service.

One of our Investigators looked into what happened and thought Royal London had acted correctly.

Mr B disagreed so the matter has come to me for a 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.

I'm sorry to hear about the passing of Mrs B and I know dealing with matters like this can be stressful at an already upsetting time.

The crux of this complaint is about the claim amount paid under the policy. This has arisen due to indexation increases to sum assured under the plan and the timing of Mrs B passing away. I've made a timeline of events to be clear about what happened.

5 May 2022 Royal London sent Mr and Mrs B a letter saying that on 10 June 2022 the sum assured will automatically increase from £97,380.12 to £106,105.38.

2 June 2022 Mrs B sadly passes away

10 June 2022 The sum assured went up and an increased direct debit payment is taken

17 June 2022 Royal London were made aware that Mrs B had passed away

23 June 2022 Direct debit cancelled

1 July 2022 Claim paid for £97,380.12

7 July 2022 Most recent direct debit refunded

This timeline shows that at the time Mrs B passed away the sum assured was £97,380.12 which is the amount Royal London paid. The increase to the sum assured didn't take effect until after Mrs B passed away.

There was a cross over due to Royal London not being made aware of Mrs B passing away until after the increase had taken place. But it's the sum assured at the date of death that is paid under the plan.

Looking at the letter from 5 May 2022 I'm satisfied it makes clear that *These changes will take place on 10 June 2022.*

I know Mr B was expecting the higher value for the claim however the amount paid was the sum assured under the plan at the time Mrs B passed away.

Having carefully considered everything that happened I'm satisfied Royal London acted fairly and reasonably when paying the claim, so I won't be asking them to take any further action.

### **My final decision**

For the reasons I've explained above, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and the estate of Mrs B to accept or reject my decision before 1 June 2023.

Warren Wilson  
**Ombudsman**