

## **The complaint**

Mr W complains that The Royal London Mutual Insurance Society Limited won't refund him the premiums he paid towards a life insurance policy he cancelled.

## **What happened**

The background to this complaint is well known to the parties, so I won't repeat it in detail here. In brief summary, in August 2019, Mr W took out an over 50s life insurance policy with Royal London. He bought the policy online, through a third party.

In May 2023, Mr W cancelled his policy. He told Royal London he had other cover that paid out more. But he was unhappy when Royal London explained he wouldn't receive any refund.

Mr W complained, Royal London didn't uphold his complaint, relying on the policy cancellation terms. So Mr W brought the complaint to the Financial Ombudsman Service, saying he thought he'd bought funeral insurance and the policy had been missold. But our investigator didn't uphold the complaint, so Mr W asked for an ombudsman to review everything and issue a final decision.

As Mr W took out the cover through a third party, Royal London isn't responsible for the sale. I appreciate Mr W believes Royal London is responsible, but that's not the case. The policy was sold via an online sales platform, provided by another regulated company, partnering with Royal London. Royal London is responsible for providing the insurance, not for selling it. So I've focused my decision on the cancellation of the policy and Mr W's dissatisfaction regarding the lack of refund.

## **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'm not upholding this complaint. I know this will be unwelcome news for Mr W. I'll explain my reasons.

I've seen a copy of the welcome pack Royal London sent Mr W at his home address in August 2019. It includes his Policy Schedule and Terms & Conditions. The cover letter lists the policy type as *Over 50s Life Cover*. And amongst other things, it says:

### ***Your right to cancel***

*We all have second thoughts. If you change your mind, you can cancel your policy at any time. If you do so within 30 days of receiving this pack we'll give you back any*

*payments you've made. The **Terms & Conditions** brochure in this pack has more details on how to do this.*

The Policy Schedule is headed – in bold, large font capitals – over 50s life cover. It also confirms the payout amount and payment terms. I understand Mr W says he thought he'd bought funeral insurance. By way of information, over 50s life cover is often taken out with the intention of providing a lump sum to go towards the cost of a funeral. But a payout could be used towards anything. Some over 50s policies include a funeral benefit option, where the payout can go directly to a funeral director - rather than to the policy holder's estate - to go towards the cost of a funeral. Over 50s plans are different from pre-paid funeral plans, where the plan holder pays up front for specific funeral goods and services.

I've also looked at the specific cancellation terms and conditions. The terms state:

*If you cancel within 30 days of the date you received this booklet and your policy schedule, we'll refund any payments you've made.*

*If you cancel after 30 days have passed, you won't get a refund.*

Overall, I'm satisfied the information provided was clear and explained that Mr W wouldn't get any refund if he cancelled after 30 days. I think Royal London was entitled to rely on the terms and acted fairly in not refunding the premiums paid when Mr W cancelled his policy. So I'm not going to ask Royal London to do anything further regarding this complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 April 2024.

Jo Chilvers  
**Ombudsman**