

## **The complaint**

Mr H has complained that Connells Limited mis-sold a life insurance policy to him as he wasn't aware he had it.

## **What happened**

Mr H completed an application for a mortgage in 2018 through Connells and at the same time, was sold a life insurance policy. The life insurance policy matched the amount of borrowing for the mortgage on a decreasing benefit basis.

In late 2023, Mr H complained that he wasn't aware he had the policy and says he didn't agree to it. Connells didn't think it had mis-sold the policy so Mr H referred his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but didn't think Connells had done anything wrong. Mr H disagreed.

And so the case has been passed to me to decide.

## **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 background to this matter is well known to both parties so I won't repeat everything here. Instead, I will focus on what I consider to be key to my conclusions.
- The relevant rules and industry guidelines say, during an advised sale, a seller should ensure the policy is suitable for the customer's needs.
- Mr H was sold a decreasing term life insurance policy. This meant the policy would pay out the amount of the outstanding mortgage if Mr H made an eligible claim. The initial benefit amount was £33,303 and the term was for 21 years. I am therefore satisfied that the policy was suitable for Mr H's needs.
- Connells has provided documentation from the time of the sale which shows that a demands and needs statement was completed. And this records that Mr H wanted to ensure his mortgage was paid off in the event he died, for the benefit of his family. This also records that other insurance products were discussed but they weren't a priority for Mr H at the time.
- Connells has shown that it sent Mr H an email in December 2018 with the demands and needs assessment as well as the offer of life insurance from the underwriter. So Mr H would have known that he applied for life insurance. Additionally, he would have received the policy documents directly from the underwriter shortly afterwards.

So if he hadn't agreed to the life insurance policy, he had an opportunity to question this with Connells or cancel it with the underwriter directly.

- Mr H says he wouldn't have bought the life insurance policy due to religious reasons. Connells has shown that Mr H had made two previous applications for life insurance which hadn't been accepted due to medical reasons. So I am not satisfied that he wasn't interested in obtaining life insurance as it's something he applied for twice, before 2018. But even if I accept that Mr H did not want a life insurance policy due to religious or other reasons, this doesn't explain why he didn't cancel the policy when he received the policy documents from the underwriter, shortly after the sale.
- Taking all of the above into account, I don't think Connells mis-sold the policy to Mr H and so I won't be asking it to do anything.

### **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 28 October 2024.

Shamaila Hussain  
**Ombudsman**