

The complaint

Mr O complains Aviva Life & Pensions UK Limited misled him into placing a life policy he held, into trust. He argues this isn't what he wanted, and that the action was taken without his consent.

What happened

Mr O held a life cover policy with Aviva. As of an amendment he made to the policy in 2019, he understood his brother would be the beneficiary of his policy on death. In 2024, Mr O contacted Aviva to change this.

Aviva didn't make the change Mr O requested. It explained Mr O's policy was held in trust, and that him and his brother were in fact co-trustees. The firm explained that to make the change Mr O wanted, his brother would need to be removed as a trustee which would necessitate more paperwork and a replacement trustee being appointed.

Mr O complained to Aviva that he'd never agreed to place his policy in trust. He didn't understand why his brother had been given a role as a trustee. He argued Aviva should remove his brother immediately and facilitate his request to appoint a new beneficiary.

Aviva rejected Mr O's complaint. It explained it was possible to facilitate his request, but that this would be on the basis that the policy remained in trust, and the necessary paperwork was completed. It offered apologies that it hadn't always been clear with him as to precisely what was required. As Mr O remained unhappy with Aviva's response, he referred the matter to our service.

Our investigator considered Mr O's complaint, but didn't uphold it. They explained that having reviewed the evidence, they were satisfied the policy was placed in trust at Mr O's request in 2019. The investigator felt the information Mr O was given in 2019 made it clear what setting up a trust would entail, and how this would affect the policy going forwards. On balance, the investigator felt Mr O had been treated fairly overall.

Mr O didn't accept our investigator's findings. He argued that as a layperson, he would only have signed the paperwork relied upon by our investigator as a result of Aviva misleading him. He felt we should review all of the evidence from 2019 to establish what he was told, suggesting that Aviva had likely pushed him towards placing the policy in trust. As no agreement was reached the matter's been referred 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.

As I've understood it, it's Mr O's contention that when he contacted Aviva in 2019, it was to appoint his brother as the beneficiary of his policy, nothing more. When dealing with its customers, Aviva's required to consider their information needs carefully, and communicate

with them in a way that's clear, fair and not misleading. I've considered whether all of this is likely to have happened as it should have, when Mr O has contacted Aviva about his policy.

Prior to coming to my decision, I'd asked Aviva to provide us with any evidence relating to the interactions it had with Mr O back in 2019. The notes I've received suggest Mr O called Aviva in January 2019. There's no transcript of what was said during this call, and Aviva hasn't retained a recording of it, which is unsurprising given the passage of time. But off the back of that call, Aviva's agent took a note which said:

"can we please send out what trusts are available for this particular type of cover and the relevant forms for each of the type of trust with a brief overview explaining the features of each, please send via email to [Mr O's email address]".

Aviva says Mr O was emailed two sets of forms the day after this call. One would lead to Mr O's policy being placed into a discretionary trust arrangement, which would effectively guarantee his intended beneficiary received the benefit from his policy. The other would've led to Mr O nominating a beneficiary to be the *preferred* recipient of his policy's benefit, without creating a trust.

Mr O's sent us the email he received from Aviva. I can see that both sets of forms were attached to it as Aviva has said. And the cover email reads:

"Thank you for your recent request regarding your policy. Please find the appropriate Trust Form and Nomination Form attached for your convenience".

Having considered this evidence, I make the following observations:

- I think it's likely that, as he says, Mr O contacted Aviva with a view to nominating his brother as being a beneficiary of his policy.
- Whilst there's no record of exactly what was said on this call, I think it's likely Aviva discussed at least two ways of achieving this, evidenced by the two sets of forms.
- I don't think Aviva's likely to have advised Mr O on what to do, because it presented two options, one with a trust and one without, without offering a recommendation.
- As I'm not persuaded Aviva was advising Mr O on which option was suitable for him, it only needed to provide him with enough information about each option for him to make an informed decision as to which one he preferred.

I've proceeded to review the information that was provided with each set of forms. Broadly, I'm satisfied the contents of each are presented in a manner which is clear, fair and not misleading. The trust forms make it quite clear that, as an advantage, they can effectively guarantee policy benefits are paid to a beneficiary in a way that simply filling out a nomination form cannot. With the nomination form, it's made clear that whilst you can name a preferred beneficiary, Aviva will always assign policy benefits at its discretion, which won't guarantee preferences are honoured.

It seems that having been presented with these two options, Mr O elected to sign and return the trust paperwork the following month. When doing so, at Part C of the form, Mr O named his brother as a trustee. And then at Part D, he named his brother again as the sole beneficiary of his policy. The paperwork accompanying the document explains the power Mr O has to appoint and remove trustees at his discretion. But that there must always be at least two trustees, including Mr O. On the first page of the form, under the heading "Important", the reader is warned:

“If you are not sure this form is suitable you should obtain independent professional advice”.

Overall and on balance, the evidence persuades me Aviva has done enough to meet Mr O's information needs and provide him with communications about his options which were clear, fair and not misleading. I acknowledge that Mr O is a layperson, and that trusts are inherently complex legal arrangements. But I don't think it's likely Mr O was under any illusion that Aviva was recommending one option over another to him. And the forms relating to the trust arrangement made it very clear that he should consider taking advice if he wasn't sure it was suitable for him.

For all of the reasons given above, I cannot fairly or reasonably uphold Mr O's complaint.

My final decision

My decision is that I do not uphold Mr O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 September 2025.

Marcus Moore
Ombudsman