

## **The complaint**

Ms D and Mr F complain that they were mis-sold a reviewable whole of life policy.

## **What happened**

In March 1992 Ms D and Mr F were advised to take out a Lifetime Security Plan with company B.

It was a joint policy, with an initial sum assured of £16,000 and a monthly premium of £20. The policy was due to review (checked to ensure the level of premium was sufficient to maintain the level of cover) after five years and then every five years thereafter.

The administration of the plan transferred to Lloyds in 2000. And the policy was cancelled in May 2006.

Ms D and Mr F complained, via their representative, to Lloyds in 2024 as the policy provider couldn't tell them why they took the plan out. Lloyds responded to say that due to the passage of time there was no fact find or suitability letter available to confirm the discussions that had taken place. They also didn't hold any information about the results of the policy reviews. There is also no information about why the policy was surrendered, including if there was a surrender value in 2006.

However, Lloyds were able to consider the application form completed at the time and were satisfied that the recommendation that had been given to Ms D and Mr F was suitable.

Ms D and Mr F remained unhappy saying a unit linked whole of life policy was never going to be affordable in retirement. As they remained unhappy their complaint was brought to our service for an independent review. Our investigator looked into it. She said that despite the limited information from the time of the sale, she thought the recommendation was suitable. She said it met their needs at the time.

Ms D and Mr F disagreed the plan was suitable for their needs. As no agreement was reached, the case has been passed 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.

Having done so, I agree with the conclusions reached by our investigator for broadly the same reasons.

The sale took place over 30 years ago – and the policy was cancelled some 18 years ago. So understandably there isn't a full record of what happened. Where there is little information available I've come to a decision based on the balance of probabilities about what I think is most likely to have happened.

There is a copy of the application form and product particulars from the time of sale. The

application form states Ms D and Mr F's circumstances. They were both 48 years old and common law partners. Ms D and Mr F were both in employment.

The investigator asked Ms D and Mr F for more information about their circumstances in March 1992 as well as around the surrendering of the policy. They weren't able to recall their circumstances from the time of sale or at surrender but were able to confirm Mr F was paying child support at the time of the sale.

The policy was designed to pay a lump sum on the death of the first life assured. The sum assured amount appears to be based on what Ms D and Mr F could afford at the time. I'm not aware of any other protection policies Ms D and Mr F had in place when the advice was given. So, this policy would have provided financial assurance to the surviving person and would have mitigated potential loss of income at a very difficult time in their lives.

Ms D and Mr F's representative have said that a unit linked whole of life policy would have become unaffordable at retirement. At the time there may have been alternative policies but based on the information available to me I'm persuaded there was nothing to suggest Ms D and Mr F only needed life cover for a limited time or this policy was inappropriate for their needs.

I recognise this isn't the outcome Ms D and Mr F wanted but I'm satisfied that the recommendation to take out a whole of life policy was a suitable one.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D and Mr F to accept or reject my decision before 9 January 2025.

Andy Hurle  
**Ombudsman**