

The complaint

Mrs A and Mr H have complained that Sesame Limited mis-sold them a joint life insurance policy in 2008.

What happened

The background to this complaint is well known to both parties, so I won't repeat it again here.

In summary Mrs A and Mr H purchased a term assurance policy in 2008. It was sold by a firm for which Sesame accepts responsibility, so for simplicity I will just refer to the sale as being by Sesame. The policy provided life and terminal illness cover.

Recently Mrs A became unwell and was under investigation for heart disease, She contacted the insurer – but the insurer advised they didn't have critical illness cover. Mrs A and Mr H then brought a complaint against Sesame.

When Sesame said that critical illness cover hadn't been purchased, Mrs A and Mr H referred their complaint here.

Our investigator didn't recommend that it be upheld. From the available evidence she didn't find that Mrs A and Mr H had purchased critical illness cover.

Mrs A appealed on behalf of herself and Mr H. She said that she was going through a stressful period at the time and her mind was all over the place. But she recalls that she asked to be covered in the case of medical illness and was told by the adviser that she was covered and it would be on the paperwork. Mrs A said that due to several house moves she no longer had the paperwork. Mrs A suggested that Sesame couldn't prove what was sold at the time. She asked for their case to be referred to an ombudsman for 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, and although I recognise that Mrs A and Mr H will be disappointed by my decision I agree with the conclusion reached by the investigator. I'll explain why.

There is limited documentation from the sale in 2008 – this is not surprising given the passage of time. But Sesame's notes show that its adviser recommended joint life cover for a term of 33 years. The benefit payable on death or terminal illness was £154,000. The Key Features document from the sale shows that critical illness cover wasn't included.

I understand that Mrs A no longer has any documentation due to multiple house moves, and I haven't disregarded her recollection that she was told illness was covered. She also said that she asked for cover in case Mr H lost his job.

I find it more likely than not that documentation would have been provided at the time of the

sale. If the documentation didn't reflect what Mrs A and Mr H thought that they had purchased they could have contacted the adviser to query this. Additionally, they would have been advised that they had a cooling off period which meant that they had the right to cancel within that period. The documents from the time show that the cover was only term assurance with terminal illness benefit and didn't include critical illness insurance.

The adviser for Sesame had a duty to take reasonable care to ensure that they gave suitable advice to Mrs A and Mr H, who were entitled to rely on the adviser's judgment. But in the present circumstances and given the evidence before me I can't conclude that the policy was mis-sold to Mrs A and Mr H. It may be that there was a misunderstanding as to the policy they had purchased, but there is nothing to suggest error on the part of Sesame. I'm sorry to hear about Mrs A's medical investigations, and that my decision doesn't bring welcome news.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr H to accept or reject my decision before 14 February 2025.

Lindsey Woloski
Ombudsman