

The complaint

Mr M and Mrs R complain that Countrywide Assured Plc won't consider a claim Mr M has tried to make under his fixed term life cover.

What happened

The history to this complaint is well known to the parties, so I won't repeat all the details here. In brief summary, in 2003, Mr M and Mrs R took out life insurance. The policy includes provision for early payment of the death benefit, upon diagnosis of a terminal illness, as defined in the policy. The policy term is 25 years.

In 2024, Mr M contacted Countrywide Assured about claiming, following a number of health events and diagnoses that have left him significantly unwell. Countrywide Assured said that Mr M didn't have critical illness cover or cover for total and permanent disability. And from the medical evidence Mr M provided, there was no indication his life expectancy was likely to be less than twelve months.

Mr M and Mrs R brought the complaint to the Financial Ombudsman Service, but our investigator didn't uphold it. So Mr M and Mrs R asked for an ombudsman to issue a final decision. The scope of my decision relates to the complaint addressed in Countrywide Assured's Final Response Letter of 14 November 2024.

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 M and Mrs R and I'm sorry about that. I'll explain my decision, focusing on the points and evidence I consider material to the outcome. So, if I don't refer to a specific point or piece of evidence, it's not because I haven't read and thought about it. Rather, I don't consider it changes things.

There's no dispute Mr M has a number of conditions that cause him significant day-to-day struggles. I understand his life has altered considerably over the past few years and he and Mrs R have faced some very challenging times. The central issue in this complaint is whether there is an insured event for which Mr M can claim.

Countrywide Assured took over responsibility for Mr M and Mrs R's policy in 2014, cover having originally been provided by another insurer. Countrywide Assured has said it doesn't have a copy of the original insurance schedule, sent to Mr M and Mrs R in January 2003. But it's provided the policy terms and from its records, confirmed that the policy Mr M and Mrs R took out was for life cover only. I've not seen that Mr M and Mrs R have provided a copy of the original schedule and terms either. Mr M has said no formal policy was issued, despite

repeat requests. This I find unusual and on balance, I think Mr M and Mrs R would've been sent their insurance documents shortly after commencement.

The transfer of policies from one provider to another is common in the insurance industry. Mr M provided a copy of a letter sent to him and Mrs R in October 2014, detailing the final arrangements for the transfer of policies to Countrywide Assured. The letter includes the sentence:

'If the Scheme is approved and the Transfer goes ahead, all aspects of the administration of your policy, including your policy terms and conditions, will continue unchanged, although all future correspondence will be from Countrywide Assured.'

Mr M's also provided a copy of a *Benefits Statement*, sent to him by Countrywide Assured in March 2021. The statement sets out the schedule of benefits for Mr M and Mrs R's policy. The statement lists two benefits – Death Benefit and Terminal Illness Benefit – both with current values of £250,000.

Mr M argues the severity of his health problems is such that a claim should be admissible. He says his policy covers heart attack, stroke and permanent disability. But I've not seen any evidence to support his assertion that he has cover for these critical illnesses. I can see Mr M has provided some information about critical illness cover – the illnesses covered and how critical illness insurance works. This is generic information, available publicly, and not specific to Mr M's policy.

Mr M suggests this information shows that cover for heart attack and stroke is '*standard coverage*.' The information he's provided does refer to '*certain illness being covered as standard by most insurers*.' But this is a reference to the Association of British Insurers Guide to Minimum Standards for Critical Illness Cover which, since 1999, has included cover for stroke, heart attack and cancer - of specified severities - as a minimum. I don't accept it's evidence that Mr M's policy, or indeed all life policies, include critical illness cover. Overall, I'm satisfied Mr M and Mrs R's policy has never included critical illness cover.

The terms of Mr M and Mrs R's policy do allow for early payment of the death benefit, should the terminal illness policy conditions be met. These are:

On proof to the company's satisfaction that the life insured is suffering from a terminal illness we will bring forward the payment of the sum insured.

The policy further defines *terminal illness* as:

Advanced or rapidly progressing incurable illness, where, in the opinion of an attending consultant and our chief medical officer, the life expectancy is no greater than 12 months.

I've not seen any medical evidence that indicates this condition may be met. This type of definition is common across the industry, and doctors are qualified to give such evidence in relevant cases, although I appreciate Mr M has raised points about prognosis.

To conclude, I'm satisfied the terms of Mr M and Mrs R's life policy provide death and terminal illness benefit only. And on the evidence I've seen, I don't think Countrywide Assured acted unfairly in saying there was no claim it could consider. I'm therefore not asking Countrywide Assured to do anything more in respect of this complaint. Once again, I'm sorry to send disappointing news to Mr M and Mrs R.

My final decision

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs R to accept or reject my decision before 16 April 2025.

Jo Chilvers
Ombudsman