

## **The complaint**

Mr S complains that AIG Life, now Aviva Protection UK Limited (Aviva) didn't send him the forms he requested for his life insurance policy, so he chose to cancel it. Mr S wants a refund of all the premiums he paid during this time.

## **What happened**

Mr S took out a life insurance policy through NatWest bank acting as the broker, the policy was with AIG Life who are now part of Aviva. Mr S says he then requested trust documents but did not receive these for a long period of time.

Due to the lack of response to his requests, he called AIG Life and asked to cancel his policy. It said it could send the trust forms to him but he declined and said he wished to have the policy cancelled.

Mr S raised a complaint as he believes his premiums should be refunded to him due to the poor service he was given. Aviva responded to say that it hadn't received a request for the trust forms, Mr S had made this request to NatWest and not it. It also explained that it wouldn't be able to refund any of the premiums as Mr S was covered for the time he had the policy and there was no surrender value. It offered to re-instate the policy for Mr S and explained any claims would've been paid to the estate upon death. And that if Mr S wanted to select a specific beneficiary, he would have to put the policy into a trust.

Mr S remained unhappy and brought a complaint to our service. He believes that he didn't have any cover because there wasn't a selected beneficiary under trust. He said if something was to happen, nobody would have benefited from it. And so he was paying for nothing and he wants his premiums refunded.

Our investigator looked into matters but she didn't uphold the complaint. She explained that Aviva hadn't made an error, he had made the request for the trust documents to NatWest and not it. And it had offered to supply him with the documents when he called up but Mr S chose to cancel. As he had been covered for that period of time, no refund should be paid.

Mr S didn't agree, he said he didn't think the investigator had understood the life insurance. And without the policy placed in trust the company was just taking his money for nothing.

## **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.

And having done so I won't be upholding the complaint, I'll explain why.

It appears that Mr S's main point of contention is that the premiums he paid were for nothing because he was unable to place the policy in trust. And therefore he believes if something was to have happened to him, there would be no payout to his beneficiaries. But he is mistaken, without the policy in trust, the policy would have paid out to his estate. So, the

beneficiaries named in the will or if no will in place, the rules of Intestacy which would usually be a surviving spouse, children etc.

It generally is seen as preferable to have a life policy in trust for various reasons including the ability to specifically select an individual to receive the proceeds of the policy in question. However, without a trust, the policy will still payout and so is still valid. So Mr S is mistaken in his belief that he was paying premiums for nothing.

Secondly, there is no evidence Mr S requested that Aviva (AIG) send him the trust documents before he called it to cancel the policy. In that call he says he requested the trust documents from his bank, NatWest. I don't know what happened to those requests but it wouldn't be fair to hold Aviva responsible for something NatWest did or didn't do. And in any event when Mr S called up it offered to provide him with that documentation, which would have provided a solution to Mr S's problem. Mr S chose instead to cancel and the cancellation was completed. After his complaint, AIG sent the required documents to Mr S and said it could re-instate the policy for Mr S if he wished and explained he had been covered for the period he paid premiums. So no disadvantage had been caused to Mr S at this point by not having the trust in place. Mr S made a decision to cancel and not re-instate as is his right but he did have cover in place for the time whilst the policy was active. Therefore, it wouldn't be right for the premiums to be refunded to him – and most importantly there is no evidence that Aviva made an error or did anything wrong.

Mr S also said he should have a refund for at least half a month's premiums as he cancelled mid-month. But as the investigator explained and as per the terms and conditions of the policy, the premium he had already paid covered him until the end of the month despite his cancellation, so I agree no refund is due here.

Mr S has questioned the investigator and our service as a whole in terms of our view of his complaint. But we can only uphold a complaint if a customer has suffered a loss and if the business complained about is responsible for that loss or has made an error. In this case, Mr S hasn't suffered a loss, he got life insurance for the time he paid the premiums and he could have received a payout. And the evidence suggests Aviva aren't responsible for the lack of receipt of the trust forms either, it seems he made his request to NatWest not Aviva (AIG). And when it was made aware Mr S required these documents, it acted quickly to offer to send them to him. So Mr S had the opportunity to place the policy in trust as he'd always wanted to. And he'd been given an explanation of how the policy worked without it being in trust and that his premiums had been paying for cover that could payout. I don't think there was anything more that Aviva could reasonably have done in answer to Mr S's complaint. And for the reasons explained above, I do not think Aviva has to do anything to put things right.

### **My final decision**

For the reasons explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 January 2026.

Simon Hollingshead  
**Ombudsman**