

The complaint

Mrs S complains via a representative that Liverpool Victoria Financial Services Limited (“LV”) acted unfairly when it sold her a life insurance policy.

What happened

In 2014, Mrs S applied for a life insurance policy provided by LV. The policy was an over-50’s plan with a sum assured of £2,406. It cost £25 per month and its premiums were payable for around 17 years, until Mrs S reached the age of 90. Its terms stipulated that if Mrs S cancelled her policy, or she stopped paying premiums before she turned 90, the policy would end without her receiving any benefit from it.

In 2025 Mrs S complained to LV that she’d now paid more towards her policy than she’d get back in the event she passed away. She argued the firm’s promotional literature hadn’t made the policy’s terms clear enough. She asked the firm to compensate her and her son-in-law, who’d helped her bring the complaint. Mrs S subsequently made a complaint about the way LV handled the cancellation of her policy, which will be responded to separately.

LV rejected Mrs S’ complaint about the way the policy was sold. It felt the information it’d given Mrs S regarding the policy and how it functioned was sufficiently clear. It asserted that it hadn’t given Mrs S advice about the policy, and that she hadn’t sought further information from it prior to completing her application. As Mrs S was unhappy with LV’s response, she referred her complaint to our service.

Our investigator didn’t uphold Mrs S’ complaint. They found that as LV hadn’t recommended the policy to Mrs S, the firm only needed to provide her with the key facts of the policy. And as they were satisfied the application paperwork made the policy’s terms sufficiently clear, they weren’t persuaded LV had treated Mrs S unfairly.

As Mrs S has ultimately not accepted our investigator’s opinion, 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.

Having done so, I’ve reached the same conclusion as our investigator, for the same reasons.

LV wasn’t advising Mrs S to purchase its policy, so it didn’t need to establish whether its product was suitable for her. Instead, the firm needed to provide enough information about the policy that was clear, fair and not misleading, such that Mrs S could make an informed decision about whether it was right for her.

I’ve reviewed the terms which accompanied LV’s quotation for life cover. In my opinion, the policy’s general terms come across clearly. And I’m persuaded they’re sufficiently clear that the premiums owed towards the policy are payable until the insured turns 90. They’re

similarly clear that the consequence of not paying all the premiums will be that the policy ends with no benefit being payable.

In addition to this, the plan schedule Mrs S was sent explicitly confirms that by age 81, she'll have paid more towards the policy than she'll ever receive back from it. Mrs S has argued this information wasn't sufficiently clear, but I disagree. Warnings that she could pay more for the policy than she'd ever receive, and that premiums would be payable until she was aged 90, were prominently displayed in bold on the first page of her policy schedule.

Broadly, I'm satisfied LV met with its obligation to provide information about the policy which was clear, fair and not misleading. I'm therefore not persuaded that it would be fair or reasonable of me to uphold Mrs S' complaint.

My final decision

My final decision is that I do not uphold Mrs S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 14 August 2025.

Marcus Moore
Ombudsman