

The complaint

Mr D complains that he has paid more in monthly premiums for the AXA Sun Life over 55s life insurance policy (the life insurance policy) he took out in a Nationwide Building Society (Nationwide) branch than the level of cover it provides. Mr D believes Nationwide mis sold the insurance policy because the total premiums he has paid now exceed the policy's payout value.

What happened

I should start by stating that this matter took place in 2010 which is approximately 16 years ago. As is often the case with the passage of time, there is not a complete record of the discussion Mr D had with the Nationwide staff member when the policy was taken out. Given how much time has elapsed, it isn't possible to verify precisely what was said during that conversation, so I must base my assessment on the evidence available to me now.

The background to this matter is well known to all parties. A brief summary is as follows:

In 2010 Mr D applied for the life insurance policy in a Nationwide branch.

On 14th September 2010 AXA Sun Life wrote to Mr D and sent him various documents including his policy schedule, the policy plan summary, the terms and conditions, information about Nationwide's Life Insurance Services, a form in the event Mr D wished to change his mind about taking out the life insurance policy.

Mr D subsequently complained to Nationwide, saying he felt the life insurance policy had been mis sold to him and that it was unfair that he had paid more in premiums than the level of life cover provided.

On 28th March 2025, Nationwide issued its complaint response and concluded that Mr D hadn't been mis sold the policy. They explained that he'd been given all the information needed to make an informed decision, that he was under no obligation to take out the cover, and that he had a 30 day cancellation period during which he could have reconsidered his decision and cancelled the policy if he wished.

Mr D then referred his complaint to our service for an independent review. Our Investigator considered the matter but thought Nationwide had acted fairly and reasonably. The Investigator said the terms of the policy made it clear that Mr D was responsible for deciding whether the policy was suitable for his needs, and that the policy clearly set out both the level of cover and the monthly premium. Therefore, the Investigator didn't think Nationwide needed to do anything further. Mr D didn't agree and accordingly asked for an Ombudsman to review his complaint and issue a final 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.

The first point I should address is whether I am able to deal with Mr L's complaint given that he raised it approximately 16 years after the policy was taken out. Our Investigator addressed this point when he gave a view on the matter. Our Investigator said he thought the complaint was brought in time. I have noted that Nationwide has not disputed this position. For the sake of completeness and for the same reasons as our Investigator gave, I agree that I am able to deal with Mr D's complaint.

I might not refer to each and every argument but wish to reassure Mr D that I have reviewed his complaint in its entirety.

I thank the parties for their considerable patience whilst this matter has awaited review by an ombudsman, given the current demand for our service.

This service's role is to investigate disputes and resolve complaints informally, whilst taking into account relevant laws, regulations and best practice. In reaching my decision, I'll focus on the issues I believe to be central to the complaint to decide what I think is fair and reasonable in all of the circumstances. We are not a court; and though there are rules I may rely on in respect of complaint handling procedures, I am not required to comment on each point or make specific determinations on every submission put forward by the parties.

There are several important points to note regarding the information provided to Mr D:

- The documentation included a clear statement explaining that he would not receive advice or a personal recommendation. It said: *"You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed. You are responsible for deciding whether any product you choose to buy is suitable for your needs."* Mr D was also required to confirm this by ticking a box acknowledging that he understood he would not be given advice. While Nationwide could ask questions to help narrow the product options, the responsibility for assessing suitability remained with Mr D.
- The policy schedule (page 3) set out key policy information, including that the policy commenced on 14th September 2010, with a fixed cash sum of £1,775 payable upon Mr D's death. It also confirmed that the monthly premium was £10, starting on 14th October 2010, payable each month until 14th August 2041 or until earlier death. The schedule also made clear that the policy had no cash in value.
- The documentation stated that: *"Depending on how long you live, the total premiums paid may be greater than the cash sum payable on death."* In effect, this meant that Mr D could ultimately pay more into the policy than the amount his estate would receive from it.

Mr D states that he was mis sold the life insurance policy. However, having reviewed the evidence, I am satisfied that this policy was likely sold on a non advised basis. Nationwide weren't required to assess whether the policy was suitable for Mr D; rather, they only needed to provide sufficient information for him to make an informed decision. I have considered the documents that were sent to him to determine whether any of the information provided was unclear or misleading.

The welcome documents Mr D received at the time he took out the policy clearly set out the monthly premium, the level of cover, and that the policy would only pay out upon the death of the policyholder. They also explained that the total amount paid in premiums could exceed the sum payable on death. In my view, this information would have been sufficient to allow Mr D to make an informed choice about whether to proceed. He also signed an application

form acknowledging that he understood the terms of the policy.

If Mr D was unhappy with the policy, the welcome pack also included a cancellation form which made clear that cancelling within 30 days would entitle him to a full refund. Taking all of this into account, I am satisfied that he was provided with clear information at the point the policy was set up.

I note that Mr D has not provided any further evidence which would demonstrate that Nationwide acted unfairly or unreasonably in the circumstances.

My final decision

My decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 10 April 2026.

Abdul Elghedafi
Ombudsman