

The complaint

Mr L complains that Legal and General Assurance Society Limited (“L&G”) incorrectly cancelled his term assurance policy.

What happened

Mr L took out a term assurance policy with L&G in 2014, having received advice from an independent financial advisor.

L&G cancelled Mr L’s policy on 29 April 2022 due to it not receiving any premiums since 7 January 2022.

Mr L complained to L&G in July 2025 as he was unhappy that he hadn’t received any contact from L&G since 24 October 2020.

L&G considered the complaint but didn’t uphold it. In summary, it said it had sent Mr L three arrears reminders by post and email but never received a response. So as it was unable to collect any payments, the policy lapsed. It also said that the letter Mr L has referred to having been the last correspondence was a policy reminder on 24 October 2020. It said this clearly stated that his policy would end on 28 October 2024 and he was responsible for maintaining his premium until the policy ended.

Mr L remained unhappy and so he referred his complaint to this service for an independent review.

One of investigators considered the complaint but didn’t uphold it. In summary, they explained that they had seen the premium payment history for the policy and could see that the last premium was paid on 7 January 2022. They also said that they were satisfied L&G had sent arrears notifications to him but hadn’t received a response. As such, they felt L&G had fairly cancelled the policy.

They also noted that Mr L had mentioned in his complaint that he thought he’d initially been sold a whole of life policy but explained that any complaint regarding this should be directed to the party who provided the advice which was separate from L&G.

Mr L didn’t accept the investigator’s findings. In summary, he said:

- He believed his direct debit was active throughout the period.
- He did not receive any arrears letters, reminders, emails, or notifications.
- L&G has been unable to provide copies of the arrears letters.
- Given that he had paid into this policy for around ten years, he would have expected L&G to make every reasonable effort to contact him before cancelling the policy entirely.

As such, the complaint has been passed to me to decide.

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 the investigator for the same reasons.

The investigator correctly explained that any complaint regarding the mis-sale of the policy would need to be directed to the party that advised Mr L to take out his policy. As such, I can't consider any complaint regarding this against L&G and my decision will focus solely on whether it was fair for it to cancel his policy.

The terms and conditions of Mr L's policy explain the following:

"We are entitled to cancel the policy if any premiums are not paid within 30 days of their due date. If we cancel the policy, the cover will end and no further premiums will be payable."

L&G has provided internal screenshots which confirm that the last premium it received from Mr L was collected on 7 January 2022. This was the premium which fell due 28 December 2021 and was paid late. I've not been provided with any evidence to show that L&G received any further premiums from Mr L after this date and so I'm satisfied it was fair and reasonable for it to cancel his policy.

I appreciate Mr L says he believed that his direct debit was active, however, it is ultimately his responsibility to maintain his premium payments, and I've been provided with any evidence to show that his direct debit was still active at the time the policy was cancelled.

Mr L believes L&G ought to be able to provide copies of the arrears letters it says were sent to him. However, on balance, I'm persuaded these were sent despite there being no copies available as L&G has been able to provide our service with internal screenshots demonstrating that letters and emails were sent. The screenshots clearly show that these were sent on 20 January 2022, 3 February 2022 and 18 February 2022 and were in relation to arrears on his account.

I appreciate my decision will be disappointing for Mr L, but I'm not persuaded L&G has acted unfairly by cancelling his policy due to it not receiving his premium payments.

"My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 April 2026.

Ben Waites
Ombudsman