

The complaint

Mrs D and Mr D have complained that Maiden Life Försäkrings AB, UK Branch cancelled their family protection plan when withdrawing from the UK market.

What happened

Since 2008 Mrs D has been insured under a Family Protection Plan. The policyholder was her credit union. The policy would pay £6000 in the event of her death or the death of another nominated family member; here I understand that was Mr D.

From 2022 the policy has been underwritten by Maiden Life. In 2025 Mr and Mrs D learned that the policy would be cancelled from November 2025 as Maiden Life were leaving the UK market. They complained to Maiden Life's agent, but when they were told the decision wouldn't change they referred their complaint to this service.

Our investigator set out his findings and recommended outcome. He said as follows:

Relevant regulatory rules say insurers need to act fairly. The Consumer Duty says firms must avoid causing foreseeable harm to consumers, including beneficiaries of insurance policies.

This policy was a group insurance policy. This means that the credit union was Maiden Life's customer and policyholder. The contract was between them, and Mr and Mrs D weren't a party to it. However, they were beneficiaries of the policy.

Each membership covered the member and up to five nominated relatives, and the insurer paid a benefit if one of these insured people passed away. I can't see whether any other relatives were ever added to this membership, however. The insured lives could be changed over time in line with certain rules, and the policy didn't have a limit on the number of claims that could be paid under a single membership. A month's premium covered the risk of a person covered under the policy dying in the period in question.

The policy was not a whole-of-life type product. That's a kind of product that is guaranteed to stay in force and pay out when an insured person passes away.

Part of Mr and Mrs D's complaint is that they were never told that the policy could be terminated at short notice.

Although Mr and Mrs D have been insured under the cover since 2008, Maiden Life only became the insurer in 2022. I've got no evidence to show Maiden Life were responsible for anything that happened before May 2022, so I've just looked at their actions since then.

The policy terms

The group policy says:

“Each term of insurance of this policy is one month. This policy is continuous and will renew for successive terms until terminated.”

It also says:

“All Insurance under this Policy will terminate when:

(1) the Policyholder provides notice of termination; or

(2) We provide thirty (30) days advance notice of Termination.

(3) When the Policyholder fails to remit premium in accordance with the Grace Period provision.”

This means the policy gives Maiden Life the power to cancel the policy by giving 30 days’ notice to their policyholder, the credit union.

Based on what I’ve seen, Maiden Life wrote to (Mrs D’s credit union) on 11 September 2025 and explained that the final decision had been made to cancel the policy, by not renewing it from 30 November 2025. So, they provided more than 30 days’ notice.

Although I understand how upsetting it would have been for Mr and Mrs D to learn of this from their credit union, I think Maiden Life acted in line with the policy terms by cancelling it in this way.

Did Maiden Life act unfairly?

Even though the contract allowed Maiden Life to cancel the policy with a month’s notice, our service looks into complaints based on what’s fair and reasonable in all the circumstances. Although the contract allowed for them to cancel a policy, I would still expect an insurer to do what they can to minimise disruption to members. So, I’ve thought carefully about this.

In 2022, Maiden Life agreed to provide cover when the previous insurer withdrew. In May 2024, they gave a year’s advance notice to their agent that they intended to leave the UK market in May 2025. At the request of their agent, Maiden Life extended this deadline for the Family Protection Plan policies to November 2025, to allow extra time to find another insurer.

Because no other insurer could be found for these policies, the cover ended. Taking all this into account, I think Maiden Life acted appropriately and took reasonable steps to minimise disruption. From what I can see, I think they acted in line with the Consumer Duty.

I’ve also considered whether Mr and Mrs D were singled out and treated unfairly compared to others, and I can’t say they were. This was a decision by the insurer to leave the UK market completely, so I can’t say they were targeting specific members or types of members.

Outcome

I know that having this cover cancelled has been upsetting and worrying for Mr and Mrs D.

However, taking everything here into account, I don't think Maiden Life have acted unfairly. This policy allowed for them to discontinue the cover in this way. I think they gave appropriate notice to your credit union. More broadly, I think they took appropriate steps to try to minimise disruption caused by their withdrawal from the market.

Although Mr and Mrs D didn't need to make a claim on this policy, the policy provided the cover it said it would have. If a claim had been made while the policy was in force, Maiden Life would have considered it. So, I won't be asking them to refund the premiums paid.

Mr and Mrs D didn't accept the investigator's recommended outcome. They reiterated (through their family representative) that they didn't feel it was morally right to pay for a policy for 17 years for it to be cancelled through no fault of theirs. They said they didn't know it was a rolling contract, and they had never missed a premium payment. They asked that the money they had paid in be returned.

As an agreement couldn't be reached 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.

I agree with the investigator's recommended outcome and his reasons for it. I've thought carefully about Mr and Mrs D's response and do understand their disappointment. But nothing they now say persuades me to reach a different conclusion to that reached by the investigator and set out above. I don't find that Maiden Life treated Mr and Mrs D unfairly or unreasonably. And as the policy would have responded to any valid claim whilst in force, there is no basis for me to require Maiden Life to return the premiums paid.

I'm very sorry that my decision doesn't bring Mr and Mrs D welcome news.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr D to accept or reject my decision before 19 May 2026.

Lindsey Woloski
Ombudsman