

complaint

Mrs M's unhappy because Sun Life Assurance Company of Canada (U.K.) Limited won't give her specific terms of her life insurance policy. Instead, it's given her a standard terms and conditions document.

To resolve her complaint Mrs M wants it to provide her exact terms. She also wants confirmation as to why the policy won't pay out for critical illness or terminal illness. Finally, Mrs M feels Sun Life hasn't been clear about extending the cover – as she thought she would be told about this in 2017.

background

In April 1992, Mrs M took out a Convertible Term Plan. It offers life cover until 2017 and accidental death benefit. The terms allowed Mrs M to convert it to a whole of life policy, as long as she did so before the final two years of the term.

Mrs M sent a letter of complaint in 2016. Sun Life said it wasn't able to uphold her complaint. It said it has never been its practice to retain copies of individual terms and conditions – because such policies were standard. It gave Mrs M a further copy of the standard terms and conditions.

Sun Life also said it couldn't be clear what was said about the conversion option in 1992, as no records existed from that time. But the annual summary sent to Mrs M gave her information about the option ending in April 2015.

Mrs M referred her complaint here and one of our adjudicators reviewed it.

She didn't think Sun Life had done anything wrong. Though it hadn't kept Mrs M's specific policy document, our adjudicator said because more than six years had passed, this was fair. She felt Sun Life had acted in line with data protection.

She also found Sun Life told Mrs M in April 2014 that her conversion option was due to expire in April 2015. She said Mrs M was responsible to ask Sun Life if she wanted to continue her cover beyond the 25-year term.

Finally, she said she couldn't ask Sun Life to give more evidence that the policy doesn't pay out for critical or terminal illness. That's because those benefits were not a feature of the policy – it only offered payment in the instance of a policyholder's death.

Mrs M said she wasn't happy. She wanted an ombudsman to look at the complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having looked at everything both parties have said, I do agree with the outcome our adjudicator's reached. I'll explain why.

I understand Mrs M's frustration that she doesn't have the original policy documentation from 1992. I also appreciate it's understandable she wouldn't have kept it – but that as a

business, she would expect Sun Life to do so. But Sun Life has explained why it doesn't hold a specific copy either, and I do think that's reasonable.

The data protection law that our adjudicator has discussed came into force in 2000, many years after Mrs M's policy began. But in any case, that Act allows the holder of data to destroy it after six years. I can't therefore say that not holding the specific terms document is unfair, when Sun Life has told Mrs M the same terms apply to all policyholders (albeit with different sum assured). So, it's these terms I've looked at when thinking about the other points of Mrs M's complaint.

The terms make clear that Mrs M's policy is only for life cover. Whilst the policy is in force (until April 2017) a lump sum is payable should Mrs M have sadly passed away. It doesn't offer any other type of cover. If Mrs M's policy had critical illness benefit, the premium would be much higher, because the likelihood of a claim during the policy term is greater for critical illness.

I understand some life assurance policies include an advance payment of the death benefit in the instance of terminal illness, but not all such policies do. Sun Life does not mention this benefit at all within the terms and conditions.

I've also looked at the conversion option. Mrs M says she expected to be told about this at the end of her policy. Unfortunately, I've not seen any evidence that this is the case. And even if I was to accept Mrs M had been told that in 1992, she was sent annual policy statements each April.

The statements are correctly addressed, and I've no reason to believe Mrs M didn't receive them. In the statement of April 2004, Sun Life told Mrs M that the option ended on 8 April 2015. It also invited her to contact it should she wish to exercise the option. It also explained what converting meant, and told Mrs M how *"this option lets you convert your term assurance into a permanent plan without medical evidence"*.

Like our adjudicator, I think Sun Life was sufficiently clear to Mrs M that she could amend her plan but this must be before 8 April 2015. The statement sets out the expiration date to change the policy to a permanent plan. In light of that, I can't say that Sun Life has done anything wrong on the basis Mrs M thought something else would happen on expiry in 2017.

my final decision

I know my decision will be disappointing for Mrs M. Having looked at the complaint, I don't find Sun Life to have behaved unfairly in the way it has maintained her policy, and given her information about it. So I can't uphold her complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 30 January 2017.

Jo Storey
ombudsman