

The complaint

Mr E complains The Prudential Assurance Company Limited ('Prudential') failed to inform him of the 28-day notice period required to surrender his investment bond. Mr E is also unhappy with Prudential's customer service including the time he spent on hold when he called them.

What happened

Mr E had an investment bond with Prudential that was transferred solely to him after his uncle passed away. The deed of assignment was completed in October 2018.

Mr E has told us that he decided to surrender following the impact to the financial market as a result of the global pandemic. He says he made phone calls to Prudential but wasn't initially told that he needed to provide 28 days' notice. He says it was only made clear during the second phone call. He has told us that he would have sought to surrender the bond sooner had he known. Therefore, when the bond was surrendered, he received around £935 less than he expected.

Mr E raised a complaint and Prudential responded in November 2020. They partly upheld the complaint accepting that ideally he could have been sent the policy documentation at the time the bond was assigned. They apologised for this and arranged a payment of £200. However, they said he was aware of the notice period prior to the withdrawal request being completed. Also, that he was aware the value wasn't guaranteed. Therefore, they felt he was informed prior to withdrawing the funds and ultimately it was his decision to do so.

Prudential also responded to Mr E's concerns in January 2021. They offered a further £200 in light of the concerns Mr E raised about their customer service. This included being left on hold when he tried to call them and mistakes with the spelling of Mr E's name. In total Prudential paid Mr E £400.

Mr E remained unhappy and asked us to investigate. The investigator felt that the compensation of £400 already paid to Mr E was fair and reasonable in all of the circumstances and didn't feel it was appropriate to ask them to do anything further. Mr E didn't accept the investigator's view. Therefore, the case passed to me.

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've reviewed the key features document outlining the key terms of the investment plan. I can see Prudential explained that funds could be withdrawn at any time with 28 days' notice. In response to the view, Mr E has said his uncle kept everything and he went through the information. However, he says he never saw this and doesn't agree they were informed.

I've reviewed a copy of the illustration of the plan which was issued on 3 April 2009. Prudential referred to the key features document in the illustration. Also, Prudential have a

regulatory obligation to provide this information. For these reasons and on balance, I'm persuaded it's likely that the key features document was sent at the time the investment bond was sold. I've noted Mr E's comments about his uncle's record keeping. But because of the time which has passed it isn't enough for me to be able to say Prudential failed to provide this information at the point of sale.

Mr E also feels strongly that the terms should have been sent to him when the bond was assigned in October 2018. I've seen a copy of Prudential's letter to Mr E and I can see they confirmed they had updated their records. They also confirmed they wouldn't issue revised policy documents. I'm not persuaded they did anything wrong here because they had already sought to fulfil their regulatory obligations by providing it at the point of sale.

Also, I note Prudential invited Mr E to contact them if he had any questions. Therefore, if he wanted more information, he could have requested a copy of the policy documents at this time. I've seen Prudential dealt with Mr E's other requests for information, so it's likely they would have provided this had it been requested. Nevertheless, Prudential have accepted that ideally they could have sent it when the bond was assigned. And I agree that this would have been helpful.

Mr E called Prudential to request information about the bond. Prudential wrote to him on 12 March 2020 setting out the value of the bond as of 11 March. Following this, Mr E called them to confirm he wanted to surrender the bond. I've reviewed the call notes and I can see they explained that the value was not guaranteed and may change on a daily basis.

Mr E has also told us that during the second phone call, when he called to surrender the bond, he was informed of the notice period. Therefore, I'm content it was Mr E's decision to surrender the bond in the knowledge that the value wasn't guaranteed and that there was a 28-day notice period.

Prudential also wrote to him on 16 March 2020 and confirmed the notice period and the date when they would deal with Mr E's request to surrender. I can see the bond was surrendered on 15 April. And I'm satisfied this was reasonable as Prudential acted in line with the terms set out in their key features document.

I appreciate Mr E feels strongly that he has suffered a financial loss because he says he would have provided instructions to surrender the bond sooner and at a higher value if he had known about the notice period. However, in the circumstances he still wouldn't have been in a position to receive the value as of the 11 March 2020. This is because he would have had to give instructions 28 days earlier. But he has told us that the impact of the global pandemic prompted his decision to withdraw funds. And as the global pandemic was an unforeseeable event, I can't say he would have provided his instructions sooner even if he had been aware of the notice period.

Additionally, when he did instruct Prudential to surrender the bond, he knew that there was a 28-day notice period. He also understood the value could change daily so he wasn't guaranteed to obtain the value as of 11 March 2020. As Mr E provided his instructions fully informed and it was ultimately his decision to withdraw the funds, I'm not persuaded Prudential have caused him a financial loss.

I've also considered Mr E's concerns about the customer service. Prudential have accepted that they didn't question the misspelling of Mr E's name and this could have been corrected. They've also accepted that there have been long call waiting times since the start of the

pandemic due to various technical and logistical issues. Having considered this, I appreciate Mr E would have been inconvenienced here.

Overall, Prudential have accepted that ideally they could have provided policy documents when the bond was assigned. They've also acknowledged Mr E's concerns about the service they provided. As a result, they paid him a total of £400 in compensation. I'm content this is fair and reasonable in all of the circumstances. This is because it appropriately recognises the frustration and inconvenience caused to Mr E. Therefore, I won't be asking them to do anything further.

My final decision

The Prudential Assurance Company Ltd paid Mr E a total of £400 in compensation and this is fair and reasonable in all of the circumstances of the complaint. Therefore, I won't be asking them to do anything further and I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 20 August 2021.

Laura Dean
Ombudsman