

## **The complaint**

The estate of X complains that The Prudential Assurance Company Limited ("Prudential") did not treat X fairly when selling X an annuity in 2013. X is represented by the executor of the estate, Mr B.

## **What happened**

In 2013 X took out an annuity through Prudential. It is not in dispute that X did not receive advice from Prudential when they took out the annuity. X was in ill-health and took a lump sum benefit and a 50% joint life policy. Mr B as executor of the estate says X was not given the option by Prudential of taking out a 100% joint lives annuity or told that they could shop around to buy an annuity.

Our investigator did not recommend upholding the complaint made by The estate of X. The investigator was of the view that the information Prudential gave X set out the options in a clear way and told X that they could take a joint lives policy of any amount, but the higher the amount, the lower the initial payments to X would be. Further, it was made clear in the literature Prudential sent out that X had the option to shop around and purchase an annuity through a different provider..

On behalf of X's estate Mr B did not agree with our investigator's view and asked for the matter to be referred to an ombudsman. This complaint therefore comes to me to issue a decision on.

## **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.

Firstly, I would like to extend my condolences to Mr B in respect of his loss.

I have carefully considered the paperwork from the time of sale. It appears not to be in dispute that Prudential sent X the Key Features document, the Policy Schedule and the Step- by-Step Guide when X was considering their options.

As our investigator pointed out, the Step-by-Step Guide said:

### *"Joint-Life option*

*This is where you can provide an income for your loved one for the rest of their life if you die before them.*

*You choose for all, or a percentage, of your income to be provided for your loved one once you die. The higher the percentage you choose to leave, the lower your own starting income will be."*

The Key Features documents said the following:

### *“Joint Life option*

*If you choose the joint life option, we'll normally pay your spouse, civil partner or dependent and income for the rest of their life if you die before them. You decide whether we pay them the same level of income as you or less. The higher the income you choose, the lower your own starting income will be.”*

I think that these documents made it clear to X that they could take out a higher joint life option than X selected. The policy schedule that X was sent showed that X had selected a 50% joint life option. So, I think the details of the annuity X decided to purchase, and the other options available, were made clear.

Prudential did not provide X with any advice about the most suitable arrangement for them. So, it was up to X decide on the best option for their individual needs.

X signed a benefit instruction form in July 2013 to take their benefits. This form told X that they could exercise the ‘*Open Market Option*’ and did not need to take their annuity through Prudential. So, I think Prudential gave X clear, fair and not misleading information about being able to shop around.

I consider that Prudential provided X with clear, fair and not misleading information to enable them to make an informed choice before they purchased an annuity. I cannot fairly and reasonably conclude therefore that Prudential did anything wrong at the point of sale, which led to X taking out the annuity they did. I therefore do not uphold this complaint.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask the estate of X to accept or reject my decision before 23 August 2024.

Kim Parsons  
**Ombudsman**