

The complaint

Mr J complains that Phoenix Life Limited mis-sold him a With-profits Endowment Plan.

What happened

Mr J purchased a With-profits Endowment Plan with Phoenix in June 1988. The policy term was for twenty years. The premium payable was £10.00 every four weeks, and the sum assured was £2,510. The policy matured in June 2008 for £4,025.17, however, Mr J says this policy was not affordable at the time it was purchased based on his personal and financial circumstances. He said he was acting on advice from Phoenix in relation to the different products he purchased and they mis-sold him multiple policies.

Phoenix responded in their final response letter on 10 January 2025 and didn't uphold the complaint. They said the available point of sale information was limited due to different regulatory requirements at that time but were satisfied that Mr J would have been provided the relevant policy information at the time. They said this was a low-risk plan which would have been suitable for an inexperienced investor. They also said he paid the duration of the plan until maturity with no mention of financial struggles.

An investigator here considered the complaint and didn't uphold it. She said she couldn't conclude that Phoenix had mis-sold the policy and believed it was suitable based on his circumstances at the time. She later included Mr J's complaint about the lack of ongoing advice he received and also that he received payment of the assured sums almost six months late. She didn't uphold the complaint about the advice Mr J received and added that the complaint about late payment had been made too late, so our service couldn't consider it.

As Mr J didn't agree with the investigator, this came to me for a decision.

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 started by addressing the late payment of the assured sums. What we can and cannot look at is governed by the Dispute Resolution Rules (DISP) contained in The Financial Conduct Authority's Handbook. The relevant provision may be found in DISP 2.8.2 which says our service can't consider a complaint if it is referred to us:-

(2) more than:

(a) six years after the event complained of; or (if later)

(b) three years from the date on which the complainant became aware (or ought reasonably to have become aware) that he had cause for complaint;

unless the complainant referred the complaint to the respondent or to the Ombudsman within that period and has a written acknowledgement or some other record of the complaint having been received;

unless:

(3) in the view of the Ombudsman, the failure to comply with the time limits in DISP 2.8.2 R or DISP 2.8.7 R was as a result of exceptional circumstances.”

The policy matured in June 2008, but payment was not made to Mr J until December 2008, Under the six-year rule he had until December 2014 to complain. As he expected to receive the payment in June 2008 or soon after but didn't receive this until six months later, he would have known he had cause for complaint, so under this rule he had until June 2011 to complain. He didn't bring his complaint to this service until January 2025 and so has been brought too late. I have also considered whether there were any exceptional circumstances that resulted in the delay in raising a complaint, but I have not been made aware of any such situation. As such, the complaint about the delayed payment from Phoenix has been brought out of time, and I cannot consider it.

Moving to the remainder of the complaint, the investigator has explained in detail the different types of advice services Phoenix offers so I won't repeat this again here. Looking at the evidence available, I haven't seen any evidence that Mr J was receiving any ongoing advice from them. Individual advice on policies purchased is most likely to have been at various points prior to each purchase. I would expect Mr J would have received some advice about this policy prior to its purchase in June 1988. This was the first of the policies Mr J referred to and whilst I fully appreciate that this has been a difficult process for him to go through, I am not able to consider the advice Mr J was given on other products after this purchase, so I have not included it as part of my considerations for this complaint.

The rules around what information must be recorded in 1988 differ from the regulatory requirements now. I haven't had sight of the conversation between the selling agent and Mr J as it has not been recorded, and I can't say what was discussed or what advice was given. So, I must base my decision on what information is available and what I think on balance is most likely to have happened at the time.

Mr J would have received policy documentation about the product that was being sold to him and the policy document I have seen confirms this was provided to him. This would have highlighted the key features of the policy, the terms and the monthly premiums. It is most likely that he was looking for a way to save money and that his priority was to be able to provide and offer protection for his growing family.

This was a Cashbuilder Plan, a savings plan which provides life cover assured on a single life basis. The policy attracted bonuses which was a way for it to provide investment growth. It is a low-risk investment with a guaranteed sum assured particularly as the funds are invested in a with-profits fund. Where bonuses had accrued, these were assured, so they suited those with a cautious attitude to risk. I haven't seen anything that would suggest that this was not the right level of risk for Mr J.

Looking at his personal circumstances at the time, he was twenty-five years old, married with two dependent children. He was working as an upholsterer and purchased the policy in person from an agent of Pearl Assurance Plc (PAP), a predecessor of Phoenix. There is no information available about his affordability or disposable income, but the fact was that he was able to continue making payment of the premiums, £10.00 every four weeks for the duration of the term and didn't complain to Phoenix in this period. This would suggest the policy was affordable.

On maturity Mr J was paid £4,025.17 which was considerably more than the premiums he paid in. So, I am satisfied that the policy did what it was intended to do and served the purpose for which Mr J would have wanted it, to save money to provide for his family with low risk. I haven't seen any evidence to suggest this was not affordable for Mr J nor have I

been able to conclude that the policy was mis-sold. As such, I will not be asking Phoenix to do anything further.

My final decision

As detailed above, I don't uphold this complaint against Phoenix Life Limited.

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

Naima Abdul-Rasool
Ombudsman