

## **complaint**

Mr C complains that he was given incorrect information by The Prudential Assurance Company Limited about annual management charges (AMC) for an investment he was planning to make.

## **background**

Mr C called Prudential on two occasions prior to making the investment to confirm the charges. It gave him the required information and he decided to proceed with the bond. However, on completion Mr C received the product literature, which confirmed that the information he had been given over the telephone was wrong.

Mr C raised his concerns with the business and it upheld his complaint. In summary, it said it would give him two weeks' extension to the cancellation period of his bond and a payment of £200 for the inconvenience the errors had caused.

Mr C didn't agree with the offer and suggested Prudential should instead pay him an amount of £3,449. He believed that this was the loss he would incur if he kept the investment for 10 years.

Our adjudicator assessed Mr C's complaint. While she agreed that Prudential had provided him with a level of service below the standard a consumer should expect to receive, she believed the offer made was fair and reasonable.

She explained to Mr A that Prudential had offered him the opportunity to cancel the investment without incurring any charges but it was his decision to continue with the bond. Therefore, she felt she couldn't recommend that the business cover any subsequent loss.

Mr A didn't agree with the adjudicator's assessment of his complaint, so the matter's been referred to me to review.

## **my findings**

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

I can appreciate it will have been very frustrating for Mr C that, having actively sought Prudential's guidance on the level of charges, it twice failed to get the information right. But when the matter was raised it quickly acknowledged its errors and made an offer that I consider to be fair.

Our general approach where an error's been made is to put the consumer back in the position they would have been 'but for' the error. I think that by offering Mr C the opportunity to cancel the investment without penalty Prudential has effectively done this. It may be that if Mr C had been given the correct information he may have proceeded with the investment in any event. But assuming he wouldn't have, Prudential's offer gave him the opportunity to revert to that position.

In addition, the business also offered him £200 to compensate for the trouble and upset caused. I consider this also to be fair.

I note Mr C's suggestion that compensation should be based upon the amount that might be incurred though the future incurring of management charges. But I can't agree that this would be reasonable. If Mr C chooses to maintain the investment in the knowledge of the correct charges this would be his choice and not the responsibility of the business.

**my final decision**

For the reasons given, my final decision is that I don't uphold the complaint. I consider the offer made by The Prudential Assurance Company Limited to have been fair and reasonable in all the circumstances.

James Harris  
**ombudsman**