

complaint

Mrs and Mr M and their representative complain that The Prudential Assurance Company Limited mis-sold them a term assurance policy in 1981.

background

Mrs and Mr M took out a term assurance policy with Prudential in 1981 to cover Mr M's life. They say they thought that the policy was a way of saving. They did not realise that it expired after a specific term in 2011 and that it had no value.

Our adjudicator recommended that the complaint should not be upheld. In summary she considered that:

- In view of the time that has passed it was not now possible to establish whether any advice was given when the policy was taken out. As there is no evidence of advice being given it was more likely that this was a non-advised sale.
- This meant that it would have been Mrs and Mr M's responsibility to make sure that the policy was suitable for their needs.

Mrs and Mr M do not agree. In summary they do not agree that it was a non-advised sale. They feel that the policy was mis-sold to them as a savings plan. If it was not a savings plan they were sold the wrong policy. The fact it was extended shows it was mis-sold.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so, I agree with the conclusions reached by our adjudicator for broadly the reasons given.

Prudential has said that it cannot trace the papers from 1981 when the policy was sold. That is not unreasonable given the time that has gone by. It has also said that at that time no financial advice would have been given by it to Mrs and Mr M.

Having reviewed the available documentation I am not persuaded on balance that Prudential gave any financial advice to Mrs and Mr M. I find it is most likely that the policy was sold on a non advised basis. As such it was for Mrs and Mr M to satisfy themselves that they understood the policy, its benefits and were happy with its terms. I am also not persuaded that the policy ever had an investment or surrender value. It was solely for life cover. I am also not persuaded that they were sold the wrong policy as they suggest or that the fact that Prudential allowed the policy to be extended indicates the policy was mis-sold.

Consequently I cannot reasonably conclude that the policy was mis-sold to Mrs and Mr M or that it would be fair to now require Prudential to pay back to them the money they have paid for the policy as they suggest should happen.

Overall, although I recognise Mrs and Mr M's, and their representative's, strength of feeling and frustration I see no compelling reason to change the proposed outcome in this case.

my final decision

My final decision is that I do not uphold this complaint.

Stephen Cooper
ombudsman