

## **complaint**

Mr S is complaining about The Prudential Assurance Company Limited because he says his life insurance policy was mis-sold. He says he didn't need the policy but was told he had to take it to get his mortgage.

## **background**

Mr S took out a mortgage in 1990 and was sold a pension term insurance policy at the same time.

Our adjudicator didn't recommend the complaint be upheld because she didn't think Prudential or its predecessor, Scottish Amicable, can be held responsible for the sale.

Mr S didn't accept the adjudicator's conclusions. He thinks Scottish Amicable took responsibility for the sale and that Prudential is therefore now liable.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I agree with the adjudicator's conclusions for much the same reasons. I'm not upholding this complaint because I don't think Prudential is responsible for the sale.

The policy was taken with Scottish Amicable, which later became Prudential. This means Prudential became responsible for running and administering the policy. But neither Scottish Amicable (if it still existed) or Prudential can be held responsible for the sale of the policy unless one of them actually sold it.

Prudential says the policy was sold by a company called *The M.I. Independent Intermediaries Company Limited* and Mr S also says it was by an adviser representing the M.I. Group. To evidence this, Prudential has provided a copy of the original application form, the front cover of which appears to include M.I.'s company stamp. Mr S has also provided a copy of a letter from M.I. dated January 1990 confirming the policy was ready to start.

From the information provided, I think it's clear the policy was sold by *The M.I. Independent Intermediaries Company Limited* and nobody is disputing that. That means neither Prudential, nor Scottish Amicable before it, could be held responsible if the it was mis-sold.

I've read the letter from Scottish Amicable dated January 1990 that Mr S recently sent us. But I don't agree this shows it took responsibility for the sale. It simply confirmed the policy application had been accepted and referred him back to M.I. with any enquiries.

I've looked at our records and I can see *The M.I. Independent Intermediaries Company Limited* was the previous name of a business called *20Twenty Independent Limited*. So any complaint about the sale would need to be pursued against 20Twenty.

Our records also indicate 20Twenty hasn't been authorised since 2013 and is no longer trading. But it's also recorded that complaints about the business are being considered by the Financial services Compensation Scheme (FSCS).

To explain, the ombudsman service can make awards requiring an individual business to pay compensation. We have no funds from which to pay compensation ourselves. So in cases where the business has been wound up, there's nobody to pay compensation and any award we make effectively has no value.

The FSCS was set up to address this situation. It's effectively a fund of last resort that all current financial businesses pay into. It considers complaints about businesses that are no longer trading and, when it upholds a complaint, pays compensation from its own funds. If Mr S wants to pursue a complaint about the sale of his policy, the FSCS is the right place for him to do that.

We can forward this complaint with the information on our file to the FSCS so it can investigate. If Mr S wants us to do that, he should let the adjudicator know and she can make the necessary arrangements. If he'd rather approach the FSCS himself, our adjudicator will be able to provide contact details that are also available on its website.

I appreciate it's disappointing for Mr S to find out we can't deal with his complaint. But I hope I've provided a helpful explanation about the reasons for that and how he can pursue it further.

#### **my final decision**

My final decision is that I don't uphold this complaint as Prudential isn't responsible for the policy sale.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 April 2017.

Jim Biles  
**ombudsman**