

complaint

Mrs D complains that the Prudential Life Assurance Company Limited mis-sold her a level term assurance policy.

background

In 1998 Mrs D, a single mother with a dependent child took out life cover. She says she presumed that this was for the whole of her life. However, the business' records show that she took a level term policy which provided cover for 15 years. Mrs D complained to the business and when her complaint was rejected she brought the matter to this service.

The adjudicator did not consider that the complaint should be upheld. He had no reason to question the reliability of the business' records which indicated that a whole of life option was discussed but not taken up on grounds of cost. He noted that Mrs D signed an application form for life cover for a selected term of 15 years. However, Mrs D did not agree and said that at the time she had been under stress due to, amongst other things, moving house so would have signed anything.

my findings

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

Mrs D is convinced that she had taken out a policy that would provide cover for the rest of her life. I recognise that the term life cover can lead people to presume they are covered for the whole of their lives. However, having reviewed the Prudential's records I note that Mrs D wanted to replace existing term cover that had expired. Her objectives are noted as: *"provide enough cover for (her daughter) to bury her and leave a useful sum over in the event of her death before age 70 – minimise cost"*. The advisor suggested various options, including a whole-of-life policy, but the records show that she declined these and opted for the level term assurance.

The records and the paperwork sent to Mrs D make clear she had chosen a 15 year term policy. I note that she says she was under stress at the time and didn't fully understand what she was signing. It is possible that she was confused by the terminology, but the paperwork makes it sufficiently clear that the policy would last only till she reached 70. I note that she was replacing an existing term assurance policy and so it is reasonable to conclude that she would be aware that such policies only last for a specified term.

All that I have seen points to the business providing her with the policy she was seeking. As such, I cannot safely conclude that the business made a mistake and for that reason I cannot uphold this complaint.

my final decision

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

Ivor Graham
ombudsman