

## **complaint**

Mrs B complains that The Prudential Assurance Company Limited (“Prudential”) mis-sold her a mortgage payment protection insurance (“MPPI”) policy.

## **background**

In 1999 Mrs B decided to re-mortgage her property. She took advice from a representative of Prudential. At the same time, she bought a MPPI policy.

Our adjudicator didn’t uphold the complaint. Mrs B didn’t agree, and so the case has been passed to me for a final decision to be made.

## **my findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint. We’ve explained our approach to complaints about payment protection insurance on our website, and I’ve used this approach in this case.

I’m not going to uphold this complaint. I’ll explain why.

Mrs B has told us that she wasn’t told the MPPI was optional. She said she was led to believe that she would be rejected for the mortgage if she didn’t take it.

The sale took place well over 15 years ago, and it’s not possible for me to be certain what was said in the meeting. I have to decide what is *most likely* to have happened. Prudential has been able to provide copies of the client review form and a letter sent to Mrs B confirming the recommendations that were made to her.

I accept it is possible that Mrs B is right when she says the representative told her she had to have the MPPI. But I don’t think it’s likely. There are two key reasons I have come to this conclusion. Firstly it is documented that she turned down a number of other products that were recommended to her. Secondly she already had MPPI on her existing mortgage and for the same level of benefit, she was paying £23 a month. This policy cost slightly less than £17 a month and I think she’d have found that saving attractive. So I think it is most likely, as the documentation suggests, that Mrs B was recommended the policy, rather than being told she had to have it.

I’ve then looked to see if there was any other reason the policy was mis-sold. Prudential advised her to take the MPPI, so it had to make sure the policy was suitable for her, as well as giving her enough information so she could decide whether to take it out.

I think this was a suitable policy for her needs. I say that for the following reasons:

- Mrs B was eligible for the MPPI, meeting the rules about where she lived, her age and employment status.
- There were some things the policy didn’t cover. But I’ve not seen any evidence that Mrs B would have been affected by any of those things.

- As I mentioned, the cost of the policy was around £17 a month. I don't think this was unaffordable for Mrs B. And it would've paid out on top of any sick pay she had or if she'd lost her job. Given the serious consequences of defaulting on a debt secured on her home, I think she'd have appreciated the peace of mind that the policy would've given her.

I think the information Prudential gave Mrs B could've been clearer. And she tells us the exclusions weren't properly explained. But for the reasons given above, I don't think she'd have been affected by any of them, and so I think she'd have bought the policy anyway.

So whilst I realise that my decision will come as a disappointment to Mrs B, I don't think this policy was mis-sold.

**my final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 16 January 2017.

Nigel Hamilton  
**ombudsman**