

complaint

Mr G complains that a term assurance policy was mis-sold to him by The Prudential Assurance Company Limited. He is being helped with his complaint by a representative.

background

Mr G took out a level term assurance policy in 2001. The adviser completed a fact find based on information provided by Mr G. Mr G was recommended to take out a policy which provided level term assurance cover and also cover for critical illness, sickness, accident and unemployment. Mr G complained to The Prudential last year. He said that he was unaware of the policy until recently and he had been informed by the adviser that the policy wasn't needed because he worked for the council. He wasn't satisfied with The Prudential's response so he complained to this service. His complaint form says that he was told that he didn't need payment protection insurance because he worked for the council.

The adjudicator didn't recommend that this complaint should be upheld. He noted that Mr G had a level term policy to protect his repayment mortgage. But he also noted that in the "reasons why report" prepared in July 2001, it states that Mr G understands: "...*that term assurance on a decreasing basis is all that is required. However, in view of the minimal extra premium and the additional cover provided throughout the mortgage term, [Mr G was] attracted to a mortgage protection level cover option ...*"; which the adviser recommended. The adjudicator was persuaded that Mr G was made aware of decreasing term assurance and that it was cheaper than level term assurance. But Mr G chose to accept level term assurance. So the adjudicator considered that it was reasonable that level term assurance was sold to him. The adjudicator found nothing in Mr G's specific circumstances that persuaded him that Mr G didn't need the cover or that the policy was unsuitable for him. The adjudicator found that Mr G should've been aware that he had the policy because he signed the policy application. The adjudicator found no evidence that Mr G had been informed that, because he worked for the council, he didn't need the policy.

Mr G's representative, on his behalf, has asked for this complaint to be considered by an ombudsman.

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- and for the same reasons.

Mr G's complaint form refers to payment protection insurance. But his policy with The Prudential is a level term assurance policy and doesn't include payment protection insurance. Decreasing term assurance is usually considered to be a suitable recommendation to protect a repayment mortgage. But I find that there's enough evidence to show that Mr G was advised that he only needed decreasing term assurance but chose to take out a level term assurance policy. So I find that the policy was suitable for his needs and wasn't mis-sold to him.

my final decision

For these reasons, my decision is that I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 29 March 2016.

Jarrold Hastings
ombudsman