

## **complaint**

Mr C complains about an investment held by his mother, the late Mrs C. He believes that as The Prudential Assurance Company Limited has no record the investment was surrendered, it should pay the proceeds. Mr C still holds the original policy document, which he believes would have been required for the investment to be surrendered.

## **background**

The adjudicator recommended the complaint should be rejected. In summary, he considered it was more likely than not the investment had been surrendered in the past. He did not think the complaint should be upheld simply because Prudential cannot confirm precisely when and where the proceeds were paid.

The adjudicator noted Prudential had offered to pay Mr C £50 for the way it handled his complaint. This was in recognition of any distress and inconvenience caused. He believed this was reasonable.

Mr C did not agree. He said the original policy document is evidence of continuing validity of the investment. So the burden falls on Prudential to prove the investment has been surrendered. He suggested a number of alternative reasons why Prudential may not have a record of the investment.

He has also sought guidance from the Institute of Chartered Secretaries and Administrators, which advises that letters of indemnity for lost share certificates should be retained permanently by a business. He believes the same applies to a lost policy declaration.

As the matter remains unresolved, it has been passed to me for consideration.

## **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 the adjudicator, for largely the same reasons.

The investment that is the subject of this complaint was taken out by the late Mrs C in 1968. It was a single premium endowment bond with no specified end date. The original provider was M&G. I understand Prudential took over M&G's investment business in 1999.

Prudential has stated it has no record of this investment. It is not able to confirm what happened to it. For instance, if it was surrendered and if so when.

I appreciate from Mr C's point of view this is unsatisfactory. However, the investment was made over forty years ago, and it is plausible it was cashed in at some stage. Although, the policy document may still exist, I do not find this sufficient evidence the investment is still in force.

Prudential has explained it would have been able to pay the proceeds without the policy document if a lost policy declaration was completed. In my experience, most providers will take such an approach.

I have noted Mr C's comments about the lack of documentary evidence in relation to any surrender. However, Prudential was not required to retain such records indefinitely. This is particularly as the surrender could have happened at any time after the policy started.

I note Mr C has put forward some possible explanations for why Prudential can't trace the investment. He suggests it may not have been properly recorded at the outset. Or that it was allowed to lapse when Prudential lost contact with Mrs C following a house move.

However, I do not find these more likely than an explanation that the investment was cashed in. There is no evidence the investment was not properly recorded when it started. And an investment of this type would not lapse just because a provider loses contact with the investor. It had a value which could not simply be written off.

I understand Mrs C engaged a financial adviser in 2009, who wrote to Prudential about this investment. Mr C believes this is evidence Mrs C had no recollection of surrendering the investment. However, the fact she may not have recalled this is not in itself evidence it did not happen. Prudential confirmed at that time it had no record of the investment.

In the circumstances, I have not seen enough evidence to allow me to conclude Prudential owes any money in relation to the investment made by the late Mrs C.

Prudential did offer to pay Mr C £50 for the way it handled his complaint. It has confirmed this is still available. Although Mr C has rejected the offer previously, he may wish to give it further consideration. He should contact Prudential if he now wishes to accept the offer.

### **my final decision**

I do not uphold the complaint and I make no award.

Doug Mansell  
**ombudsman**