

complaint

Mr and Mrs G complain that they are due a further bonus on their endowment policy. This is based on documentation they received at the time of the takeover of another business by The Prudential Assurance Company Limited

They are also unhappy to have received no reply to one of their letters to Prudential and then to have been sent two identical letters. They were also given incorrect information about the SAIF fund not being accounted for separately.

background

Prudential apologised for the poor customer service and for giving Mr and Mrs G incorrect information. It offered them £50 for the distress and inconvenience caused. But in respect of the level of bonus received, the business was content that Mr and Mrs G had been paid correctly.

Mr and Mrs G weren't satisfied with this response so they referred their complaint to this service.

Our adjudicator was of the view that Prudential had paid all the appropriate bonuses in 1997. She thought that the level of Mr and Mrs G's final bonus was correctly increased as a result of the distribution of the assets of the acquired fund. She also felt the offer of £50 for the customer service issues was fair.

Mr and Mrs G didn't agree, as they didn't feel that sufficient evidence had been provided by Prudential to support the full bonuses having been paid. They considered that it should be possible for the business to account for the full distribution of the acquired fund's assets.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I appreciate that now their policy has matured Mr and Mrs G are keen to be reassured that the distribution of assets has been carried out correctly, in line with what was indicated in 1997 when the takeover occurred.

The documentation at the time indicated that policyholders would receive two cash payments and a special bonus. Prudential has confirmed the relevant amounts were paid in respect of Mr and Mrs G's policy. A cheque was provided for £453, representing the cash payments, and a special bonus of £610.32 was added to the policy.

The 1997 information also indicated that the full value of the assets would be distributed in future as qualifying policies paid out. It said that this was *estimated* to increase the value of future payouts by around £530million, in addition to the special bonuses.

It seems that when Mr and Mrs G's policy matured its value was increased as indicated. This was because the special bonus, through the adding of further bonuses, had increased to nearly £1,300. I'm satisfied this additional amount represents Mr and Mrs G's share of the distribution of the full value of the assets.

I appreciate Mr and Mrs G would like to see this distribution across all policyholders fully accounted for by Prudential. But I've no reason to believe that the business hasn't acted in line with what it set out in 1997. So I don't feel I can reasonably direct it to provide the sort of information Mr and Mrs G are seeking.

In respect of the customer service issues that Mr and Mrs G experienced, I think the offer of £50 is fair and reasonable in the circumstances.

my final decision

For the reasons given, my final decision is that I don't uphold the complaint.

James Harris
ombudsman