

## **complaint**

Mr and Mrs A complains that that Phoenix Life Limited wrongly recommended a life and critical illness policy in 1990.

## **background**

Their representative said the advisor failed to consider the potential long term affordability of the plan or other more suitable alternatives. He also didn't take into account the risk that Mr and Mrs A were prepared to take with their money.

An investigator at this service didn't feel the complaint should be upheld.

He said that it seemed apparent from the fact find that Mr and Mrs A required cover to protect themselves in the event of a serious illness or death. He also noted that there was no other cover in place. Considering their circumstances and requirements at the time of sale, he thought that the policy was suitable to their needs.

Mr and Mrs A's representative disagreed, and said:

- There was no discussion of alternatives such as term cover and the advisor did not ask how long cover was required for (this is a failure under the regulatory requirements)
- In addition the clients surrendered the plan which suggests that cover was not required on a whole of life basis
- In fact they did not need it after retirement; if it had been important to keep the cover into retirement they would not have cashed it in after 20 years

There was further discussion about the merits of a term assurance plan, whether critical illness cover was generally available within such plans and whether Mr and Mrs A had a pension in place at the time (or whether this was only started at a later date). But the investigator still did not feel there was sufficient evidence to safely conclude that this was an unsuitable recommendation

## **my findings**

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

In this case I agree with the investigator and for the same reasons. The mere fact that Mr and Mrs A surrendered this plan after 20 years does not, in itself, indicate that they were not looking for whole of life cover at the outset.

The Fact Find records that Mr and Mrs A's top priorities (in order) were: 'protection against long term illness', 'a secure retirement' and 'protection for your family'. I accept that such documents cannot always be relied on as a completely accurate reflection of a client's wishes; nevertheless they suggest Mr and Mrs A were looking for protection running into retirement rather than for a time-limited period.

I therefore do not believe there is sufficient evidence to warrant upholding this complaint.

**my final decision**

I do not uphold the complaint or make any financial award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs A to accept or reject my decision before 18 November 2019.

Tony Moss  
**ombudsman**