

## **complaint**

Mr and Mrs C say The Prudential Assurance Company Limited mis-sold them a mortgage payment protection insurance (PPI) policy.

## **background**

The complaint is about a monthly premium PPI policy taken out with a mortgage in 1999.

Our adjudicator didn't uphold the complaint. Mr and Mrs C disagreed with the adjudicator's opinion so the complaint has been passed to me.

## **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 set out our general approach to complaints about the sale of PPI on our website and I've taken this into account in deciding Mr and Mrs C's case.

I've decided not to uphold Mr and Mrs C's complaint. I'll explain why below.

Mr and Mrs C say they didn't know they'd taken out PPI. And their representatives say there's very little mention of PPI in the paperwork, so they can see why Mr and Mrs C wouldn't have known they had PPI.

The paperwork can give an idea of what was been discussed with Mr and Mrs C. But it's not going to be a word for word record of what happened when they met with the Prudential adviser. I also need to take into account that some paperwork may not be available anymore, because it's been such a long time since the PPI was sold. So while PPI isn't mentioned much in the paperwork I do have, this doesn't mean it wasn't discussed or that Mr and Mrs C didn't agree to take it out.

The Personal Financial Review (PFR) document does record a quotation for PPI (referred to as MPS) was given to Mr and Mrs C. And there's a tick to show Mr and Mrs C decided to take it out. While I accept the way this was set out isn't that clear, it does suggest PPI was discussed with Mr and Mrs C. This is also supported by the Lifestyle Choices Summary that seems to have been sent to Mr and Mrs C after the meeting, which says the merits of taking out a mortgage safeguard plan were discussed. And towards the end of this document it confirms that in line with the discussion, a proposal for mortgage protection safeguard has been arranged.

So I think it's likely PPI was discussed with Mr and Mrs C and they agreed to take it out. I can understand why Mr and Mrs C might not remember this as it happened a long time ago.

Prudential recommended the PPI to Mr and Mrs C but it doesn't look as if it was unsuitable for them based on what I've seen of their circumstances at the time.

If Mr or Mrs C couldn't work because of accident, sickness or unemployment, the PPI would pay a benefit of £145 each (a total benefit of £290). Although Mr and Mrs C say they would've got paid by their employers if they were off sick, the PPI would pay out on top of any sick pay. It's also likely to pay out for longer than Mr and Mrs C would've got full pay. So

I think it would help them keep up with their mortgage repayments if either of them couldn't work.

The PPI had an annual premium of £187.38, which Mr and Mrs C paid for by monthly instalments of £16.39. It's possible this information wasn't as clear as it should've been. But it's likely Mr and Mrs C understood they had to pay something for the PPI. And I think it's unlikely they would've been put off if the cost had been properly explained.

It's also possible Prudential didn't point out the main things the policy didn't cover. But it's unlikely Mr and Mrs C would've been affected by any of these. They've told us they were in good health. And there's nothing about their employment situations that would suggest they would find it difficult to make an unemployment claim.

Overall, I think Mr and Mrs C wanted and had a need for the cover provided by the PPI. And while it's possible Prudential didn't do everything it should've done when it recommended the PPI to Mr and Mrs C, I don't think they would've made a different decision and decided not to take it out, if Prudential had done things properly.

#### **my final decision**

For the reasons I've explained above, I don't uphold Mr and Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 5 October 2015.

Claire Allison  
**ombudsman**