

The complaint

Ms F has complained that First Complete Ltd trading as PRIMIS Mortgage Network mis-sold her a life insurance policy.

What happened

The background to this matter is well known to the parties. In summary Ms F spoke to an adviser for whom PRIMIS takes responsibility in 2017. For simplicity I will just refer to the sale as being made by PRIMIS. She was sold a life assurance policy which expires when she reaches age 90. Ms F complains that the policy isn't suitable for her as she wanted a whole of life policy.

Our investigator didn't recommend that the complaint was upheld. Ms F appealed.

What I've decided – and why

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

I'm aware I've summarised the background to this complaint - no discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. I recognise that Ms F will be very disappointed my decision but for the following reasons I agree with the conclusion reached by our investigator:

- The relevant regulations provide that the adviser had to take reasonable care to ensure that the policy was suitable for the customer's demands and needs. So I've looked very carefully at all the documentation and submissions to see whether the policy sold was suitable for Ms F.
- Ms F purchased the policy following a telephone conversation with the adviser. There is no telephone recording of the sale – it seems that it wasn't recorded. But even if it had been it might no longer be available given the passage of time. So I've carefully considered the documentation produced at the time as well as Ms F's testimony.
- The adviser completed a demands and needs document following a telephone conversation with Ms F. He recorded that she wanted cover in place to pay funeral expenses which she estimated to be around £5000. She also wanted to leave a gift of £15,000 to her family. The adviser recommended a whole of life policy as the best way to guarantee these sums were paid out – but unfortunately this was outside Ms F's budget of £27 per month.
- The summary of demands and needs which was sent to Ms F on 10 May 2017 included the following line: *During our discussion I recommended that the best option would be a whole of life policy as this would guarantee a pay out to your family, however this was out of your budget. I then recommended cover over the next 26 years, this recommendation is based on the maximum term available as you felt that*

the whole of life cover was too expensive. You were made fully aware that you may outlive the policy however you were happy to proceed with this option.

- Accordingly the adviser suggested a term assurance policy with a sum assured of £20,000 – this provided cover for 26 years, until Ms F was aged 90. The premium for this policy when it commenced was £26.71 per month. I'm satisfied that this policy was within Ms F's budget and provided the cover she required until the age of 90. A whole of life policy was outside her budget and to recommend such a policy wouldn't have been suitable, as on her own evidence it was unaffordable for her.
- Ms F has said that she was unaware at the time that the policy would end when she reached 90 years. I've seen the information sent to her at the time of the sale, including the summary of demands and needs referred to above. She was also sent information from the product provider. The term of the policy is clear on all the documentation and the reason for the recommendation is clear on the information sent by PRIMIS. Ms F had the opportunity to query this at the time, but she didn't do so.
- I'm sorry that my decision doesn't bring Ms F more welcome news, but in all the circumstances I find the recommendation made by the adviser was suitable and I don't find that the policy was mis-sold to Ms F. It follows that there is no basis for me to require First Complete Ltd trading as PRIMIS Mortgage Network to make any payment to her.

My final decision

For the reasons given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 4 April 2024.

Lindsey Woloski
Ombudsman