

The complaint

Mr R has complained that Pinnacle Insurance Plc (trading as Cardiff Pinnacle) has cancelled his mortgage payment protection insurance (PPI) policy.

What happened

Pinnacle wrote to Mr R in June 2023 informing him that the policy would be cancelled on 31 October 2023.

Our investigator didn't uphold the complaint because Pinnacle had made a business decision to withdraw this policy and had provided Mr R with sufficient notice of the cancellation, in line with the policy terms and conditions.

Mr R disagrees with the investigator's opinion and so the complaint has been passed to me for a decision.

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.

Pinnacle has taken a decision to withdraw its mortgage PPI product altogether. So, it doesn't just affect Mr R, it affects all other existing policyholders.

Pinnacle is entitled to take a view on whether it wishes to continue to offer certain products and this service would not normally involve itself in the commercial decisions of a business in deciding to offer or withdraw particular products. I'm only looking at whether Pinnacle has acted fairly and reasonably in the way that it has undertaken the cancellation.

Under the terms of the policy, it states that Pinnacle must give 90 days' advance notice of the termination of the policy. Based on the available evidence, I'm satisfied that it did this.

Mr R is over 60 and says he's been put in a position of being unable to find replacement cover or cover at a reasonable cost. He says he wasn't told at the time he purchased the policy, at the age of 45, that it could be cancelled at any time. He'd like another policy to be found for him or to be compensated for the cancellation.

Pinnacle wasn't the seller of the policy. Based on the available information, it was his mortgage lender that sold him the PPI. The cancellation clause is a common term in insurance policies and so I wouldn't necessarily expect the seller to draw it to his particular attention. Mr R would need to address any complaint about the policy being mis-sold to the seller. However, the deadline for making a mis-sale complaint has now passed.

As already mentioned, Pinnacle has withdrawn the policy and applied the cancellation across all of its remaining customers. And it has done so in accordance with the terms and conditions, so I don't think it needs to provide compensation. It provided enough notice for

people to have time to source alternative cover, although I appreciate that this is harder for Mr R than it might be for others.

I do have sympathy for Mr R's situation and understand why he is concerned about the policy being cancelled, because he has just under three years of his mortgage left to run. But Pinnacle hasn't singled him out. I appreciate the impact for Mr R could potentially be greater than for others. However, as it has applied the withdrawal across all of its customers, I'm unable to conclude that it has treated him unfairly.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 14 December 2023.

Carole Clark

Ombudsman