

**Non-confidential version**

**PAYMENT PROTECTION INSURANCE MARKET INVESTIGATION DRAFT ORDER  
2009**

**PRUDENTIAL COMMENTS ON DRAFT ORDER, 8 JULY 2009**

This paper sets out the comments of Prudential plc ("**Prudential**") on the draft of the Payment Protection Insurance Market Order 2009 published by the Competition Commission on 8 July 2009.

**1. Article 2.1, Definition of PPI Provider**

Prudential would welcome further clarity on whether the definition of PPI Provider includes an insurer which does not have any contact with consumers during the selling of payment protection insurance.

**2. Article 3.1, Disclosure of cost per £100 of monthly benefit**

Prudential believes there may be circumstances where the mandatory disclosure of cost per £100 of monthly benefit would cause confusion for consumers, for example, where the monthly benefit is not a fixed amount, but the repayment of all or part of a varying outstanding balance. Consumer confusion may be further increased by the disclosure of PPI cost in up to 5 different formats on a personal PPI quote.

**3. Article 7, Obligation for APR to include cost of PPI in a personal PPI quote**

Prudential believes that adding the cost of PPI to the APR may lead to an increase in consumer focus on comparison of APR (due to familiarity with the terminology) and a reduced level of focus on the underlying benefits offered by payment protection insurance.

Prudential plc  
7 August 2009