

## **The complaint**

Mr M has complained about the sale of a furniture damage protection policy by Acasta European Insurance Company Limited when he bought a bed.

Mr M's mother Mrs M is representing him in his complaint.

All references in my decision to the underwriter of the policy Acasta include its agents.

## **What happened**

In April 2021 Mrs M bought a bed on behalf of her son. The bed was delivered to her son's address and the sales invoice was in Mr M's name. However, Mrs M signed the invoice agreement and says she dealt with the sales person who sold the bed and the furniture damage protection policy.

In 2022 Mrs M discovered a fault with the bed and looked for the invoice to see if the bed was still under guarantee. She says she noticed an additional payment on the invoice for a tax related item - and so she called Acasta. Acasta told Mrs M she had bought a furniture protection policy when she bought the bed. Mrs M didn't recall doing this. But in light of the information given, Mrs M made a claim against the policy for the fault. But her claim was declined. Acasta said the damage to the bed was structural and this was excluded from cover under the policy.

Mrs M complained to Acasta. She said the policy had been mis-sold. She said the policy wasn't explained to her at the time of the sale and that neither she nor Mr M received terms and conditions of the policy to understand what had been sold.

Acasta didn't uphold Mrs M's complaint. It said due to the time that had passed - and that the sales adviser had since left the organisation - there was no evidence to show the policy had been mis-sold. It said Mrs M had signed the invoice agreement.

Mrs M asked us to look at her complaint. She was unhappy that Acasta had asked for personal details about her and her son.

Our Investigator recommended the complaint should be upheld. She said there was no evidence Acasta had provided details of the terms and conditions of the policy at sale.

She recommended Acasta provide a refund of the £75 Mrs M had paid for the protection policy with interest at 8% simple interest a year.

The Investigator didn't think Acasta had unreasonably asked for information to deal with Mrs M's concerns - she found no evidence Acasta had breached data protection rules. But she explained that Mrs M could contact the Information Commissioners Office if she had concerns.

Acasta didn't agree. It said as Mrs M made a claim against the policy (which was declined) she had the benefit of using the policy.

Our Investigator said this didn't mean the policy hadn't been mis-sold - and remained of the view that the complaint should be upheld.

Acasta didn't agree. Mrs M didn't reply to the Investigator's view. So the case has been passed to me to decide.

### **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.

Mrs M says she would not have paid for the policy - she says the sales person added lots of products to the invoice when she bought the bed: some they described as free, and the rest Mrs M says she asked to be removed as she didn't want to pay for them.

Acasta says it would have provided the terms and conditions of the policy just after the sale of the policy. But it hasn't provided evidence that terms and conditions - or the Certificate of Insurance - was sent or given to Mrs M or her son Mr M when she bought the furniture protection policy. Mrs M says that in July 2022 she called Acasta to ask what the £75 payment was for on the invoice. She had looked for the invoice to see if the bed was still under guarantee. Mrs M says she was advised that she had paid for a protection policy and so - given she had noticed a fault with the bed - she contacted Acasta to make a claim. But I don't think this means Mrs M was always aware of the product at the point of sale as Acasta says.

Acasta says the sales agent has left the organisation. But it should be able to provide a clear record of the documents it provided to the customer at the point of sale. Acasta hasn't shown this.

So I think the fairest outcome is for Acasta to provide a refund for the protection policy. I think it should pay interest as set out below.

### **My final decision**

My final decision is that I uphold this complaint. I require Acasta European Insurance Company Limited to refund the £75 fee Mrs M paid for a furniture protection policy. It should pay interest on the refund at a rate of 8% simple interest a year from the date Mrs M paid the invoice to the date of the refund.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 September 2023.

Geraldine Newbold  
**Ombudsman**