

## **complaint**

Mr B complains that Bank of Scotland Plc (trading at the time of sale as Halifax) mis-sold him a mortgage payment protection insurance ("MPPI") policy.

## **background**

Mr B bought a regular premium MPPI policy in 2004 to protect his mortgage repayments against accidents, sickness or unemployment. The policy also provided him with life and critical illness cover. Mr B purchased the policy during a meeting with an advisor from Halifax in one of its branches. The policy and mortgage ended in 2006.

Mr B through his representatives says Halifax told him that unless he took the MPPI policy he would not obtain a mortgage. He thinks Halifax mis-sold the policy to him.

Our adjudicator didn't uphold Mr B's complaint. As the complainants don't agree with the adjudicator's opinion, the complaint has been passed to me.

## **my findings**

I've considered all the available evidence and arguments to decide what is 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 B's case.

I've looked at all of the information provided by both parties and decided not to uphold Mr B's complaint because of the following reasons:

- Halifax has been unable to provide much of the sales documentation that was used at the time of sale. There is little information available and so I can't be sure how the policy was presented by an advisor from Halifax to Mr B during the meeting and I've not been able to see most of the original sales documentation (such as the loan agreement or application form). So it's been difficult for me to consider whether Mr B was given a choice or not as to whether he should have the MPPI policy (or whether it was put across by the advisor as compulsory).
- I've looked at what Mr B has said about how the policy was sold. But I'm not aware of any known issues with the way Halifax sold these policies around this time. And in the absence of relevant documentation or further information to support what Mr B has said, I cannot fairly conclude on this occasion that the policy was sold as he suggests it was. I just haven't seen enough to make that conclusion.
- Halifax has said it recommended the MPPI to Mr B during the meeting and so, as this puts additional responsibilities on the business, I will proceed that this was the case. So as it did recommend the policy to Mr B, it had to ensure during the sale that the policy was suitable for his needs.
- After reviewing the very limited information (I have been able to see sample sales documents), it doesn't look as if the MPPI policy was unsuitable for Mr B based on what I've seen of his circumstances at the time. The policy would also have paid in addition to his benefits and so would have been of use to him during a difficult time

as he could have used his provisions to pay for other expenses I think, on balance, Mr B had a need for this cover for any extended period of unemployment or sickness. I also couldn't find any other reason such as a significant or limiting term that would make the policy unsuitable for him.

- Halifax has provided some information about the costs relating to the MPPI policy that Mr B took out but even though it has provided screenshots detailing the cover and how much it cost, I cannot be sure that these costs were disclosed to Mr B in a clear and fair way at the time of sale. That said, even if they were disclosed clearly I don't think Mr B would have done anything different and decided against having the policy for the reasons that I have already given for the policy being suitable.
- Its possible Halifax didn't point out the main things the policy didn't cover. But its unlikely Mr B would've been affected by any of these.

I understand this will come as a disappointment but in conclusion I do not uphold Mr B's complaint.

### **my final decision**

For the reasons set out above, I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 3 May 2016.

Mark Richardson  
**ombudsman**