

## **complaint**

Mrs M complains that Plane Saver Credit Union Limited (Plane Saver) mis-sold her a payment protection insurance (PPI) policy.

## **background**

Mrs M took out three loans with Plane Saver from 2003 and 2005. PPI was sold to Mrs M in connection with all of these loans.

In 2003 Mrs M took out accident, sickness and unemployment cover. In 2004 and 2005 Mrs M took out just accident and sickness cover.

Our adjudicator didn't uphold Mrs M's complaint in relation to any of the policies.

Mrs M disagreed with our adjudicator and the complaint has been passed to me to decide.

## **my findings**

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

Having done that, I've decided not to uphold Mrs M's complaint.

I've looked at the policy document provided and am satisfied Mrs M was eligible for the policies.

Mrs M says that the policies were presented to her as being compulsory. She says that the agreements were all prepared with PPI already included for her to sign and she was told by the representative that she didn't have a choice. Plane Saver disagree. So I've looked at the documents from the time of the sale to help me decide how the policy was presented.

I appreciate what Mrs M says about PPI already being included on the agreements. But as I understand it, Mrs M would've gone through the loan application process first. And I've seen copies of the loan applications for all three sales. They are all similar in the way PPI is presented.

From the loan applications provided, I can see two equally clear options to either take or refuse PPI and I can see that in each of the applications Mrs M has made a choice about which level of cover to take. And she has signed beneath this to confirm her selection.

I can see that the PPI sections are marked with a printed 'X' to indicate Mrs M has chosen to take cover and the level of cover. But I note that the rest of the form is also printed including Mrs M's personal details which Plane Saver would've most likely only got from information provided by Mrs M. And anyway, as mentioned previously, Mrs M has signed beneath the selection to confirm she wanted to take PPI.

So to me it seems that the 'X' would've reflected what Mrs M had told Plane Saver she wanted during their discussions and her choice to take PPI would've then been reflected in

the loan agreements. Plane Saver have also provided information which indicate that this is what the process involved.

I also note that Mrs M has taken other loans with Plane Saver but chosen not to take PPI out.

So all in all, although it is of course possible Mrs M was verbally made to feel that she had to take PPI, from the evidence I've seen, I can't fairly say that this is *more likely* to have been the case.

Plane Saver say that they didn't advise Mrs M to take the policies out. But having looked at the sample documents provided, it appears to me that they did provide recommendations.

So I think Plane Saver had to take adequate steps to ensure the policy was suitable for Mrs M. I can't see that they took all the steps as they should've. But I do think the policy was suitable for Mrs M. I say this because:

- The policy would've paid out in addition to any sick pay Mrs M was entitled to and for a longer period of time. Where Mrs M took unemployment cover, the policy would've paid out in addition to what she would've got paid from her employer if she lost her job.
- I appreciate what Mrs M says about her savings. But I also note that Mrs M preferred to take out a relatively small loan in 2005 over three years rather than use any savings she may have had. And so I don't think just because Mrs M says she had savings, that the PPI was unsuitable.
- Based on the information provided by Mrs M on the applications, it doesn't appear as though Mrs M was affected by the more restrictive terms and exclusions in the policy which would've made it difficult for her to make a successful claim under the policy. Such as those relating to pre-existing medical conditions and unusual working arrangements.
- The policies were of a relatively low cost. And according to Mrs M's income and expenditure as set out in the applications, I can't see that the policies were unaffordable to Mrs M.
- Mrs M could've cancelled the policies early if she felt she no longer needed or wanted them without losing out financially.

Plane Saver also had to provide Mrs M with information in a clear, fair and non-misleading way so that she could make a proper choice about whether or not to take the policy out. Again I can't see that Plane Saver provided Mrs M with all the information as they should've.

But I don't think better information would've changed Mrs M's mind about the policies. I say this for the same reasons that I think the policies were suitable for her.

It follows that I don't uphold Mrs M's complaint.

### **my final decision**

I don't uphold Mrs M's complaint against Plane Saver Credit Union Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 20 January 2017.

Navneet Sher  
**ombudsman**