complaint

Mr D complains that GE Money Home Lending Limited ('GEM') mis-sold payment protection insurance ('PPI') to him when he re-mortgaged his home in 2007.

background

I issued a provisional decision in this case in which I said I didn't think the complaint should be upheld. That decision is attached and forms part of my final decision.

Our adjudicator confirmed with both parties that they had received my provisional decision and they were aware of the deadline to respond. GEM said they agreed with my provisional findings. We have had no reply from Mr D or his representatives and there has been no request for an extension of time to respond.

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 Mr D's case.

As neither party has provided me with any additional information, I see no reason to depart from my provisional decision. It follows that I don't uphold Mr D's complaint for the reasons previously given.

my final decision

I don't uphold Mr D's complaint and I don't require GE Money Home Lending Limited to take any action to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 22 January 2016.

Nicola Bowes
ombudsman

Copy of my provisional decision

complaint

Mr D complains that GE Money Home Lending Limited ('GEM') mis-sold payment protection insurance ('PPI') to him when he re-mortgaged his home in 2007.

background

Mr D bought a regular premium PPI policy, which means that he had to make payments towards it every month.

Our adjudicator thought the complaint should be upheld. This was because Mr D was self-employed and she thought it might be more difficult for him to make a claim for the unemployment part of the policy. GEM disagreed with that view and so the complaint has been passed to me to make a final decision.

my provisional 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 have taken this into account in deciding Mr D's case.

I have provisionally decided not to uphold Mr D's complaint and I'll explain why below.

I can see that PPI was sold to Mr D during a meeting. I cannot know what was said during that meeting and so I have considered the parties' recollections and the paperwork that is available from the time to help me decide what is likely to have happened.

The first thing I have to look at is whether GEM made it clear to Mr D that he didn't have to take PPI if he didn't want it. Mr D did not specifically complain about this and I can see the optional nature of the policy was clearly set out in the letter GEM sent to him after the meeting. So, I think the adviser probably told him he had a choice about whether to take PPI during the meeting as well.

I can see from the papers that GEM advised Mr D to take the PPI. This is because they said it was right for his personal circumstances. So, they had to make sure it was suitable for his needs.

The terms of the policy said that in order to make a successful claim for unemployment, Mr D would have to meet the following criteria:

> *'Self Employed*
> *Your business has stopped trading, is in the process of being wound up, under the control of an insolvency practitioner or be a partnership which has been or is in the process of being dissolved.'*

The way I have interpreted the policy is that Mr D only had to meet one of those criteria in order to make a claim. So, if his business had stopped trading, he would have been able to make a successful claim. He wouldn't have to be in the process of being wound up or be under the control of an insolvency practitioner.

So, the question for me now is whether the requirement for Mr D's business to stop trading would have made it more difficult for him to make a claim than someone who was employed. I note the policy does not say that Mr D would have to permanently stop trading. I think he would have just had to stop working. I don't think this is a particularly onerous requirement and it follows that I provisionally don't think Mr D being self-employed made the policy unsuitable for him.

Mr D told us that he did not have any medical conditions when he bought the policy and I can't see that he would have been caught by any of the exclusions relating to his health. I know that he said friends and family would have been able to help him if he ran into financial difficulties. I don't doubt that this would have been their intention, but there is no guarantee that such funds would have been available to Mr D if he wasn't able to work.

Overall, I think the policy provided a useful benefit to Mr D and I don't think it was unsuitable for him.

Even though the policy was suitable, GEM also had to give Mr D enough information about the policy so he could make a decision for himself about whether it was right for him. That information had to be clear, fair and not misleading. It is possible that GEM didn't give Mr D all of the information they should have done. But, I don't think that more or better information would have made a difference to his decision to take PPI. For the reasons set out above, I think the policy was useful to Mr D and it was quite competitively priced compared to others that were available on the market at the time.

I'm provisionally satisfied that the policy wasn't mis-sold and I provisionally don't need GEM to do anything more.

my provisional decision

As I am proposing not to uphold the complaint, I provisionally don't require GE Money Home Lending Limited to take any action to put matters right.

I now invite all parties to submit any further evidence or comments they wish me to consider by 21 December 2015 after which I will issue a final decision.

Nicola Bowes
ombudsman