

complaint

This complaint is about loan payment protection insurance ('PPI') policies taken out with a number of different loans between 2006 and 2009. Mr K says Glasgow Credit Union Ltd mis-sold him the PPI.

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 K's case.

I've decided the policy wasn't mis-sold because:

- I've seen *some* of the paperwork that was completed around the time of each sale. In particular, the demands and needs form from each sale. On this document, Mr K has signed for each PPI policy to accept the recommendation that Glasgow Credit Union Ltd was making. So I'm satisfied that Mr K *consented* to taking out each policy.

I've also considered if Mr K would reasonably have been aware that he had a *choice* about PPI. As an example, for the November 2008 sale, I've seen a copy of Mr K's loan agreement. On this document there are 'Yes....' and 'No....' options for PPI. Unfortunately the way the document has been scanned, the margins of the document are missing, so I can't safely say if there was an option to indicate by ticking or crossing next to the required option for PPI.

But I can safely say that the November 2008 loan agreement presented PPI as optional. Mr K has then signed the separate '*Demands and needs statement*' to agree to take PPI, I think it's more likely than not that he indicated that he wanted PPI

Although Mr K has said that he was told that he wouldn't get the borrowing unless he took PPI, I've not seen strong evidence to support what he's said. I've also noted what Mr K has said about being '*bullied*' into taking PPI.

But pressure can be subjective and what feels like pressure to one person may not to another. As this was a sale where Glasgow Credit Union Ltd were making a recommendation to take PPI, I think it's possible that the adviser said that Mr K *should* take PPI. But this is very different to them saying that he *had* to take PPI.

On balance, based on what I've seen for each sale, I think that it's *more likely* than not that Glasgow Credit Union Ltd presented the PPI as optional before getting Mr K's consent to take it out.

- Glasgow Credit Union Ltd recommended the PPI to Mr K so it had to check that the PPI was right for him. Mr K has told us about a pre-existing medical condition ('PEMC') that he had at the time of each sale.

This policy excluded PEMC's. But based on what Mr K has told us about his PEMC, that he doesn't take medication to manage it and hasn't had time of work because of it, I don't think that the recommendation was unsuitable for Mr K.

I think that the chances of Mr K needing to claim for the PEMC were relatively low and that he'd still want to be covered for all the other conditions that might mean he was unwell and unable to work for potentially a lot longer

Based on what I've seen and been told about his circumstances around the time these policies were sold, I still think that the recommendation to take PPI was suitable and the policy was right for Mr K.

For example, he wasn't affected by any of the other exclusions to or limits on the PPI cover and he seems to have had a need for the cover.

- It's possible the information Glasgow Credit Union Ltd gave Mr K about the PPI wasn't as clear as it should've been. But he chose to take it out - so it looks like he wanted this type of cover. And it seems like it would have been useful for him if something went wrong. It also looks like it was affordable. So I don't think better information about the PPI would have put him off taking out the cover and I don't think that Mr K has lost out because of anything that Glasgow Credit Union Ltd did wrong.

I've thought about everything Mr K has said - including what he's said about our adjudicator basing their entire decision on the level of commission.

To be clear, in this particular case Glasgow Credit Union Ltd has told us that the commission for Mr K's relevant policies policy was less than half of what he paid for each premium. We've looked at how Glasgow Credit Union Ltd has been working this out and based on what we've seen it looks like it's right – Mr K's commission was less than half the cost of the policy.

As that's the case, I don't think it needed to tell him about the commission – so I don't think Glasgow Credit Union Ltd treated him unfairly. This means it doesn't need to pay Mr K back any of the commission he paid for the PPI.

However, this is only one of the considerations that I've made when coming to my decision. As I've outlined - for the reasons above, I don't think that this policy was mis-sold. I think it's more likely than not that Mr K agreed to take PPI - understanding that he had a choice.

Although Glasgow Credit Union Ltd may not have done everything exactly as they should have, I don't think that Mr K has been treated unfairly or lost out as result.

So these points don't change my decision. My decision deals with the six loans taken out between April 2006 and April 2009 and not any before or after this.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr K to accept or reject my decision before 7 February 2019.

Daniel O'Shea

ombudsman