

## **complaint**

This complaint is about monthly premium payment protection insurance (PPI) policy taken out with a loan in 2009. Mr C says Number One Police Credit Union Limited, trading as Number One Copper Pot Credit Union (NOCPU) mis-sold him the PPI.

## **background**

I issued my provisional decision in March 2019 which I've attached below and which forms part of this decision. Essentially I felt that Mr C chose to take out the PPI knowing it was something he didn't have to have. And that even though NOCPU may not have provided Mr C with the information needed to decide if the policy was right for him – I don't think this would've made a difference to his decision to take out the policy and I explained my reasons why. Mr C said that he was protected from being made redundant due to the nature of his job, but as the PPI was displayed as accident, sickness and unemployment cover, Mr C would've known he was taking out a policy to cover him from unemployment and he decided to go ahead with it anyway.

So I didn't think the policy was mis-sold. I also didn't think NOCPU needed to pay Mr C back any commission he paid on his premiums because NOCPU says Mr C's commission was less than half the cost of the PPI. So I didn't think it needed to tell Mr C about the commission being paid and I didn't think NOCPU treated Mr C unfairly.

## **my findings**

I've re-considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Neither party responded with any comments for me to consider. So based on my previous findings, and in the absence of any new information, I see no reason to change my mind about this complaint.

## **my final decision**

For the reasons set out in my provisional decision, as summarised above, I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 18 May 2019.

Sienna Mahboobani  
**ombudsman**

## **COPY OF MY PROVISIONAL DECISION**

## **complaint**

This complaint is about monthly premium payment protection insurance (PPI) policy taken out with a loan in 2009. Mr C says Number One Police Credit Union Limited, trading as Number One Copper Pot Credit Union (NOCPU) mis-sold him the PPI.

## **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've taken this into account in deciding Mr C's case.

I'm intending not to uphold the complaint and I'll explain why.

Mr C says he had no idea the PPI was added to his account. But I've looked at the evidence available from the time of sale and based on what I've seen I think NOCPU made it clear that Mr C didn't have to take out the PPI and he chose to take it out – although I can understand why he can't remember this now. I say this because I've seen a copy of Mr C's credit agreement which was sent to him in the post following his online application. In this there is a section for PPI where there's a pre-printed 'x' in the box to agree to the cover. There was also an option to say no to the policy and this box was blank. NOCPU says that the agreement reflects the selections and information entered online – and I think that's probably correct. And I think it's clear from this application that PPI was included, but that there was also the option to decline the cover. So I think Mr C would've contacted NOCPU to ask them not to include the cover if he didn't want it at the time. Mr C signed this document, so I think it reflected what he wanted.

Mr C says NOCPU advised him to take out the PPI. But NOCPU says it didn't provide any advice or recommendation to take out the policy. From what we know about how NOCPU were selling PPI around the time, it was usually on a non-advised basis. And I haven't seen any persuasive evidence that advice was provided in this sale – so I've considered this as a non-advised sale in my decision.

As NOCPU didn't recommend the PPI to Mr C it didn't have to check if the policy was right for him. But it did have to make sure Mr C got the information he needed to decide if it was right for him.

Our adjudicator initially upheld this case on the basis that the nature of Mr C's employment meant that he was protected from being made redundant – so the unemployment cover wasn't useful for him. And he felt that if Mr C had been aware of this, he would've decided not to take out the PPI. But the cover was described as accident, sickness and unemployment cover online and in Mr C's loan application. So I think it was clear that the policy was designed to cover him for unemployment. And as this was a non-advised sale, it was up to Mr C to decide if he felt the policy would be useful for him. As I've said above, Mr C chose to take out the PPI – so it looks like he wanted this type of cover.

It's possible some of the other information NOCPU gave Mr C about the PPI wasn't as clear as it should've been. But based on what I've seen of his circumstances at the time it doesn't look like he was affected by any of the exclusions to or limits on the PPI cover. It also looks like the PPI was affordable. So I don't think better information about the PPI would have put him off taking out the cover. And although Mr C was entitled to some sick pay at the time, the PPI would've paid out for up to 24 months and on top of the sick pay he had. So these funds could've been used for other expenses at the time.

Mr C also says that had he have known about the policy he would've made a claim on it when he was off work. But from the evidence I've seen it doesn't look like the PPI was in place at the time he told us he was no longer in work. And in any event, from what I've seen I think Mr C was aware of the PPI at the point of sale, so it's possible he later forgot he had the policy but this wasn't NOCPU's fault – so this point doesn't change my decision.

Overall, I don't think Mr C was mis-sold the PPI. I've also thought about the commission Mr C paid on his PPI – and whether NOCPU treated him unfairly.

NOCPU has told us that the commission for Mr C's PPI was less than half of what he paid for each premium. We've looked at how NOCPU has been working this out and based on what we've seen it looks like it's right – Mr C's commission was less than half the cost of the PPI. As that's the case, I don't think it needed to tell him about the commission – so I don't think NOCPU treated him unfairly. This means it doesn't need to pay Mr C back any of the commission he paid for the PPI.

#### **my provisional decision**

I don't intend to uphold this complaint.

I now invite both parties to respond with their comments by 8 April 2019.

Sienna Mahboobani  
**ombudsman**