

## **complaint**

This complaint is about a regular premium payment protection insurance (PPI) policy taken out by Miss B in 2002 in connection with her HP agreement arranged by London General Insurance Company Limited (LGIC). The PPI was sold at a meeting and Miss B complains the policy was mis-sold.

## **background**

The adjudicator thought the complaint shouldn't be upheld because LGIC took steps to show the policy was optional and because Miss B had been given clear enough information to make a decision about the PPI. Miss B disagreed with the adjudicator's view and asked for the matter to be looked at again. She added she didn't want or need the PPI because of her personal circumstances. And that she didn't even know she had bought PPI in 2002.

## **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 Miss B's case.

Having done that, I've decided not to uphold Miss B's complaint. I know this will be a disappointment to her, so I'll explain why.

Firstly, I thought about whether Miss B had been given the option to buy the PPI so I looked at the credit agreement which Miss B signed in 2002. I could see there was a box ticked next to the section marked "*Life and Disability*". There were other boxes offering other policies which could've been ticked, so I think LGIC did give Miss B a choice of policies. And I saw the whole section which only dealt with PPI had a separate signature – and Miss B separately signed agreeing to the life and disability cover. Next to her signature, it said "*I confirm I wish to take out the credit insurance above.*" I do appreciate she may not now remember doing this – but I think it's what actually happened.

Miss B said no-one gave her any advice about the PPI. And I think that's probably right – because I can't see any evidence on the papers that she was advised. So I'd expect LGIC to give Miss B enough information about PPI which was clear, fair and not misleading.

I then looked at the credit agreement to see what it said about PPI. I could see she was eligible for cover. And I also saw there were things the policy didn't cover (the exclusions). I don't know if those things were pointed out to Miss B at the time of the sale, but even so, I don't think they would've affected her.

I think the cost of the PPI was set out quite clearly on the credit agreement. So having decided she chose to buy it, I don't think anymore details about cost would've put her off from buying it.

I also looked at Miss B's circumstances at the time of the sale. She couldn't remember what her sick pay entitlement was from her employer. But she told us she was aged 19 and living at home with her parents. She added her parents would've paid off the loan if she was in any difficulty. I do appreciate Miss B had these other means to pay her loan – but there was no guarantee her family would still be able to help her at some unknown time in the future of the

HP agreement. And I also think the PPI would've paid a benefit in addition to (and possibly for longer than) her sick pay.

Taking everything into account, I think the policy was shown as an optional product. And I think Miss B chose to have it. And even if she'd been given more detailed information, I don't think she'd have changed her decision to buy it.

**my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 11 April 2016.

Amrit Mangra  
**ombudsman**