

### **complaint**

Mr H says that Glasgow Credit Union Ltd mis-sold him a payment protection insurance ('PPI') policy.

### **background**

I issued my provisional decision in January 2019, a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I wasn't intending to uphold Mr H's complaint.

I asked everyone to send me any further comments and information before I reached a final decision. Neither Mr H or Glasgow Credit Union Ltd sent me anything further to consider.

### **my findings**

I've re-considered all the evidence and arguments already sent to us to decide what's fair and reasonable. As I've not received any new evidence, I've reached the same conclusions I reached in my provisional decision, for the same reasons.

### **my final decision**

For the reasons I've explained in my provisional decision, I don't uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before **7 April 2019**.

Daniel O'Shea  
**ombudsman**

### ***copy of provisional decision***

### **complaint**

This complaint is about a loan payment protection insurance ('PPI') policy taken out in 2005. Mr H says Glasgow Credit Union Ltd mis-sold him the PPI.

### **my provisional 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 H's case.

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

- I've seen a copy of some of the paperwork that Mr H signed. In particular, the demand and needs statement. On this document it stated *'During our discussion you indicated that you did not wish to accept our recommendation of Accident, Sickness and Unemployment Insurance but that you wish to go ahead with Accident and Sickness Insurance cover instead.'*

In my opinion, I think that this demonstrates that Mr H would have reasonably been aware that PPI was optional as he's declined the recommendation made by Glasgow Credit Union Ltd and chosen to take out a different level of cover.

I've also seen that Mr H has signed this form as well as his loan agreement to agree to what he's taking out.

On balance, I think that it's *more likely* than not that Glasgow Credit Union Ltd made Mr H aware that PPI was optional before he chose to take it out.

- Glasgow Credit Union Ltd recommended the PPI to Mr H so it had to check that the PPI was right for him – and based on what I've seen of his circumstances at the time, I think that it was. For example, I haven't seen supporting evidence that he was affected by any of the 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 H 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.

I've thought about everything Mr H has said - including what he's said about:

- Thinking the PPI would cover redundancy. But as I've already said, it seems that Glasgow Credit Union Ltd did recommend unemployment as well as accident and sickness insurance but Mr H chose not to take it out. So I can't fairly uphold this complaint for this reason.
- I've also noted that Mr H has made reference to trying to make a claim on the policy in his PPI questionnaire and the reason why it was declined. My decision doesn't deal with any attempted claim, just the sale of the policy. But Mr H has the option of speaking to Glasgow Credit Union Ltd about it if the declined claim is something that he's unhappy about.

So these points don't change my decision.

I asked Mr H's representative for some more information about Mr H's circumstances around the time of the sale, but haven't yet received it back. Mr H's representative now have another opportunity to provide the information I requested.

I've also thought about the commission Mr H paid on his policy – and whether Glasgow Credit Union Ltd treated him unfairly.

Glasgow Credit Union Ltd has told us that the commission for Mr H's 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 H'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 H back any of the commission he paid for the PPI.

**my provisional decision**

I currently don't intend to uphold this complaint.

If Mr H or Glasgow Credit Union Ltd have anything further to add, they can do so by 16 February 2019 and I'll then reconsider the complaint.

Daniel O'Shea  
**ombudsman**