

## **complaint**

Mr P says Nationwide Building Society mis-sold him a payment protection insurance (PPI) policy.

## **background**

Mr P bought the policy in 1999 at the same time as taking out a loan. The loan included an amount to pay for the policy.

Our adjudicator didn't uphold the complaint. Mr P disagreed with the adjudicator's opinion so the complaint has been passed to me.

## **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 P's case.

I've decided not to uphold Mr P's complaint because:

- Mr P says he was made to feel that he had to have the policy to get the loan. But having looked at his loan application, I think it's more likely he was given a free choice. The loan application has a 'Yes' and a 'No' option for PPI. And on Mr P's signed application the 'Yes' option has been ticked. I also see that his signed loan agreement refers to PPI as *optional insurance*.

So I think Nationwide made Mr P aware the PPI was optional and that he chose to take it out.

- Nationwide didn't recommend the PPI to Mr P so it didn't have to check if it was suitable for him. So although Mr P says he had other ways to make the repayments, it was up to him to decide if this meant he didn't need the policy.
- The cost of the policy was shown – including the amount of the premium, the interest payable on the premium and the total cost. The monthly cost was also set out. So I think Mr P would have understood how much the PPI would cost if he kept the policy for its full term.
- Given how long the policy could've paid out for, if Mr P made a successful claim he could've got back quite a bit more than what he paid for it.
- The loan application form says Mr P's loan was for refinancing existing debt. So he needed a flexible policy in case he wanted to end the loan early to refinance again. I understand this policy allowed that flexibility and provided a proportionate refund if it was cancelled early. So I don't think the cancellation terms would've put Mr P off taking the policy.
- It's possible Nationwide didn't point out the main things the policy didn't cover. But it's unlikely Mr P would have been affected by any of these.

I've taken into account Mr P's comments, including that the policy wasn't good value for money. But Nationwide told Mr P enough about the cost of the policy when he took it out. So I think he had the information he needed to decide if he thought the policy was value for money or not. So Mr P's comments don't change my conclusion.

**my final decision**

For the reasons set out above, I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr P to accept or reject my decision before 11 April 2016.

Matthew Bradford  
**ombudsman**