

## **complaint**

Mr and Mrs C complain that HSBC Bank Plc ("HSBC") mis-sold them a mortgage payment protection insurance ("MPPI") policy in 2006.

## **background**

Mr and Mrs C bought a MPPI policy which started in March 2006 to protect their mortgage repayments. The policy was sold during a branch meeting.

Mr and Mrs C believe HSBC mis-sold the policy. They think HSBC told them they had to have the policy as Mr C was self-employed. They also don't believe the policy would have covered them if they had needed to make a claim.

Our adjudicator didn't uphold the complaint. As the complainants don't agree with the adjudicator's opinion, the complaint has been passed to me.

## **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 and Mrs C's case.

I've decided not to uphold Mr and Mrs C's complaint because:

- I can't be sure how the policy was presented to Mr and Mrs C during the meeting. But I've looked at what they said about how the policy was sold – including that they felt the advisor told them they had have it. But I think, after considering the documentation provided including how PPI was presented, it is just as likely that they were advised it was a good idea to have the insurance to protect their mortgage repayments.
- I think HSBC recommended the MPPI to Mr and Mrs C (rather than tell them they had to have it), but it doesn't look as if it was unsuitable for Mr and Mrs C based on what I've seen of their circumstances at the time.
- HSBC has provided some information about the costs relating to the MPPI that Mr and Mrs C took out. It has also provided us with documentation to show how it would have set out the cost and benefit of the policy, giving Mr and Mrs C enough information to decide if they wanted to take it.
- Its possible HSBC didn't point out the main things the policy didn't cover. But its unlikely Mr and Mr C would've been affected by any of these. I have considered whether the terms for self employed policy holders making a claim were restrictive, but in this case I don't think they were.
- Mr and Mrs C were taking on a financial commitment secured against their home. As such, I consider that the policy provided them with a useful additional benefit (over and above their employment benefits) for a reasonable cost to protect their home in the event that it was necessary for them to make a claim. And they were given suitable advice as to the amount of benefit each policy holder should receive.

- I'm not persuaded Mr and Mrs C would have avoided protecting their repayments given the serious consequences of defaulting on a debt secured against their home.

I've taken into account Mr and Mrs C's comments, but these points don't change my conclusion.

**my final decision**

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs C to accept or reject my decision before 6 November 2015.

Mark Richardson  
**ombudsman**