

## **complaint**

Mr and Mrs B complain that Legal & General Partnership Services Limited (L&G) mis-sold them a regular premium mortgage payment protection insurance (MPPI) policy.

## **background**

Mr and Mrs B applied for a mortgage in 2007. They bought the MPPI policy during a meeting with L&G in connection with this mortgage.

Although the mortgage was in both Mr and Mrs B's names, the policy only covered Mr B. The policy would have covered Mr B if he was off work sick for a maximum of 12 months' per claim.

Our adjudicator didn't uphold Mr and Mrs B's complaint.

Mr and Mrs B didn't agree with the adjudicator and their complaint has been passed to me to consider.

## **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 MPPI on our website and I've taken this into account in deciding Mr and Mrs B's case.

Having done that, I've decided not to uphold Mr and Mrs B's complaint.

I've looked at the policy document provided and am satisfied that Mr B was eligible under the policy.

I can see from the documents provided that Mr and Mrs B chose the policy. I say this because Mr and Mrs B declined a number of other recommendations but accepted accident and sickness cover and that too for Mr B alone. The "Key Facts" document under section 9 confirms that MPPI isn't a condition of the mortgage. So I am satisfied Mr and Mrs B were aware the policy was optional and chose to take it.

The documents provided by L&G make it clear that the representative advised Mr and Mrs B to take the policy. This means they were under a duty to take adequate steps to ensure the policy was suitable for Mr and Mrs B. I can see that the recommendation was suitable for the following reasons:

- Mr B has told us he worked in a self-employed capacity and wouldn't have received any pay if he was off work sick. Mr and Mrs B have also confirmed they had no savings. The policy would've provided Mr B with 12 months' benefit per claim if he was off work sick. So I think the policy provided useful cover.
- As I have noted, although Mr and Mrs B jointly held the mortgage, only Mr B was covered under the policy. I can see that the representative advised cover for both of them. She advised Mrs B to cover herself for accident, sickness and insurance with a deferred period of 180 days for accident and sickness – this is because Mrs B had

told them she would've received six months' pay from her employer. But Mr and Mrs B chose to cover Mr B alone.

- The policy was flexible in that it was a regular premium policy. So if Mr and Mrs B needed to refinance, they could've cancelled the policy without losing out financially.
- Mr B had no pre-existing medical conditions which would've made it difficult to make a claim under the policy. I note Mr B made a successful claim on the policy.
- Mr B appears to have chosen this policy specifically because he could afford it. This is why he didn't take the unemployment element of the policy as this would've increased the cost. So I can see that Mr and Mrs B gave some thought to how much they wanted to or could spend on the policy. This makes me think they could afford this particular policy.

I have also looked at whether or not the information given to Mr and Mrs B at the time of the sale was clear, fair and not misleading so that they could make a proper choice whether or not to take the policy.

I can't say whether L&G gave all the information as they should have. For example, I can't see that the restrictions relating to pre-existing medical conditions were explained as they should have been.

But even if Mr and Mrs B had been given better information about the policy, I don't think there was anything in there that would've put them off taking it. I say this for the same reasons why I think the policy was suitable for them.

Based on the above, I don't uphold Mr and Mrs B's complaint.

### **my final decision**

I don't uphold Mr and Mrs B's complaint against Legal & General Partnership Services Limited.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs B to accept or reject my decision before 30 October 2015.

Navneet Sher  
**ombudsman**