

## **complaint**

Mr C is unhappy Premium Credit Limited sent him threatening letters when he took out a credit agreement with it and a further inappropriate letter after he cancelled his direct debit.

## **background**

Mr C agreed to take out credit with Premium Credit to finance an insurance policy for a car. It sent him two letters about this in January asking him to sign its credit agreement. It said there would be a £10 admin charge if this wasn't done by the end of January.

Mr C returned the agreement at the end of January and said he hadn't been able to do so earlier because he'd been unwell. He raised concerns about the volume of correspondence he'd received which he'd found threatening. Premium Credit said it didn't intend to cause any distress. And although his agreement had been received after the cut-off date it wouldn't charge the £10 fee.

At the end of February Premium Credit wrote to Mr C again because his direct debit had been cancelled and it outlined the possible consequences of that. In response Mr C said he'd sold his car so no longer needed the insurance. He was unhappy with the letter he'd received. Premium Credit said it hadn't been told he wanted to cancel the agreement which was why the letter had been sent. However, that had now been done.

Premium Credit confirmed to us that no adverse information had been recorded on Mr C's credit file. Our investigator didn't think it had treated him unfairly. Mr C didn't agree. So I need to reach a final decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I appreciate Mr C found the letters he was sent about the credit agreement threatening. But I don't think it was unreasonable of Premium Credit to send two letters reminding him to sign and explaining what would happen if he didn't. And it wasn't aware the reason he hadn't responded was because he was unwell. Once it did know I think it treated him fairly by waiving the £10 fee for late return of the agreement.

And when it wrote to Mr C at the end of February it hadn't been told he no longer had his car and wanted to cancel the agreement. So I don't think it did anything wrong in sending him that letter. Once it was made aware of the correct position it did cancel the agreement and has confirmed no adverse information has been recorded on Mr C's credit file. I don't think it's treated him unfairly.

## **my final decision**

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 July 2018.

James Park  
**ombudsman**