

## **complaint**

This complaint is about two single premium payment protection insurance (PPI) policy taken out in November 1999 and November 2000 to go with personal loans. Mr T says Nationwide Building Society mis-sold him both of the policies.

## **background**

The background and circumstances leading up to this complaint, which includes Mr T's circumstances at the time of the sale as well as the PPI policy benefits, limitations and exclusions of cover, aren't disputed. So I haven't repeated all of this information here.

Our adjudicator did not uphold the complaint.

Mr T's representative disagreed with the adjudicator's opinion – they didn't raise any new or additional points but repeated the same complaint points and arguments they'd previously made.

As the complaint couldn't be resolved informally, it has been passed to me for a final decision.

## **my findings**

Although I have only included a summary of the complaint, I have read and considered all the evidence and arguments available to me from the outset, in order to decide what is, in my opinion, fair and reasonable in all the circumstances of this complaint.

When considering what is fair and reasonable, I am required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

We've set out our general approach to PPI mis-sale complaints on our website and published some example final decisions that set out in detail how these relevant considerations may apply to PPI sales like Mr T's. I haven't set out that detailed information here but I've taken into account all relevant considerations in deciding Mr T's complaint.

Having done so, I've decided not to uphold this complaint and I've summarised my reasons for this conclusion below:

- I think Nationwide made it clear that Mr T didn't have to take out the PPI and he chose to take it out. I say this because on each of the application forms Mr T ticked a box to show he wanted to take out PPI cover. If Mr T hadn't wanted the cover, he could have ticked a separate box to show that. I've also seen that each of the loan agreements referred to the PPI as being optional – so Mr T would have seen he didn't have to have the PPI if he didn't want it or changed his mind about it before signing each agreement.
- It looks as if the first policy was sold in a branch and that Mr T applied for the second one when he returned an application form by post. From what I've seen Nationwide didn't recommend the PPI to Mr T - so it didn't have to check that the PPI was right or suitable for him. But it did have to give Mr T enough clear and timely information so he could decide for himself if it was right for him.

- It's possible the information Nationwide gave Mr T about the PPI wasn't as clear as it should've been. But I've found that he chose to take it out - so it looks like he wanted this type of cover. The cover wasn't fundamentally wrong for Mr T. Although Mr T told us about an operation he'd had more than forty years earlier, I don't think better information about each of the policies' medical condition exclusions would've caused him to change his mind about Mr T taking them out. I say this taking into account that the operation was a routine and relatively commonplace operation that was unlikely to have any adverse effect on his health in the future. So I don't think Mr T would've acted any differently had he known more about the exclusions.

It also looks like each of the policies was affordable – so it seems like it would have been useful for Mr T if something went wrong. And they would have provided a pro rata refund when they were cancelled so Mr T wouldn't have been left out of pocket. Because of this I don't think Mr T would have declined the cover had Nationwide done anything more.

Overall, I consider that Mr T would have still taken out PPI. The policies were sufficiently close to what it's likely he thought he was getting, and I think each policy could provide a useful benefit in a difficult time, given his circumstances at the time. And in those circumstances, I think that he would have taken them out in any event.

Mr T's representative has raised a number of what I consider to be general complaint points, which it says apply to all PPI complaints. These general points include: a claim that the Financial Ombudsman Service is not correctly applying the regulator's rules and guidance for handling PPI complaints; these policies represented poor value because of the number of significant exclusions and limitations of cover coupled with the low claims ratio; and the duty of utmost good faith meant Nationwide should have disclosed the poor value and explained the significance of the limitations and exclusions and the impact it had on the chances of making a claim.

But Mr T's representative has not said how these points apply to the specific facts and circumstances of Mr T's individual complaint – just that they apply to all PPI complaints.

I have thought about these things and how they might apply in Mr T's particular case. But these points don't persuade me to alter my conclusions about what is fair and reasonable in all the circumstances of the complaint – for the reasons I've set out above I don't uphold this complaint.

This means Nationwide doesn't have to do anything to put things right.

### **my final decision**

Overall, having considered all the evidence and arguments to decide what is, in my opinion, fair and reasonable in all the circumstances of this complaint and for the reasons I have set out above, I don't uphold Mr T's complaint – so I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 25 September 2021.

Michael Goldberg  
**ombudsman**