

complaint

In February 2003, Mr P bought a regular premium payment protection insurance (PPI) policy from Pidcock Motorcycles Limited ("PML") alongside a hire purchase agreement (to buy a motorbike). Mr P took the policy out during a meeting. Mr P considers PML have acted unfairly with regard to the sale of the PPI policy.

background

The PPI premiums covered the repayments of the hire purchase agreement. The PPI policy was life cover only and paid out on death. PML sold the PPI but didn't provide either the insurance cover or the credit to buy the motorbike.

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.

The sale took place during a meeting and unfortunately there is no record of what was actually said, so I make my decision based on the paperwork available and what each side has said, to decide what is most likely to have happened.

I've decided not to uphold Mr P's complaint for the following reasons.

I've thought about the eligibility rules of this policy and compared them to Mr P's situation when the PPI policy was sold. I think Mr P was eligible for this PPI policy.

Mr P has said that he wasn't given a choice in taking the PPI. He also says he was told he was more likely to get the finance if he took the PPI. In my view there is at least some inconsistency between these two arguments. I see that the proposal form he signed at the time did show that there was a choice in whether or not to take out the policy. There were a number of insurance options and the life cover box is ticked whilst others are left blank.

I also see that the proposal form was a separate document to the credit agreement which was signed a couple of days later. On the credit agreement Mr P's insurance choice from the proposal form is reflected in the wording. Mr P hasn't made any persuasive arguments about what happened at the sale and hasn't described this time gap between proposal form and credit agreement. All in all I think Mr P, at the time of sale knew he had a real choice in whether or not to take the PPI and chose to take it.

Mr P has stated that he felt that this policy was unsuitable for him. PML has said that it was an advised sale. I've considered Mr P's circumstances and I don't think the recommendation of PPI was unsuitable. Yes he had some cover already-but the PPI provided a significant benefit at a reasonable cost and I don't think such a recommendation in the circumstances was unsuitable.

It is not clear whether or how the significant terms of the policy were described to him in the meeting. Mr P has said that at the time he purchased the cover, he was in good health and in employment. I think Mr P was not treated unfairly by any of the health or employment

elements of the policy, so I think he was not likely to have made a different decision in taking the PPI, even if the information had been clearer.

This was a monthly premium policy. I can see that the cost of the policy was clearly presented on the hire purchase agreement. Mr P had signed this document to accept it. So I think Mr P was aware of the policy cost when he decided to take the PPI.

In summary having thought about all the evidence available, I think that even if Mr P had received more or better information about the policy from PML, he would still have decided to buy the PPI. I think it was suitable for him. I also think he was eligible for it and chose to take it knowing he didn't have to. So I do not find that the policy was mis-sold by PML.

my final decision

For the reasons given above I do not uphold Mr P's complaint and make no award against Pidcock Motorcycles Limited.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr P to let me know whether he accepts or rejects my decision before 21 July 2016.

Rod Glyn-Thomas
Ombudsman