

complaint

Miss R says Bank of Scotland plc (trading as Halifax) mis-sold her a payment protection insurance (PPI) policy.

background

Miss R bought the policy in 2005 at the same time as taking out a loan. The loan included an amount to pay for the policy and was taken out during a meeting with Halifax.

Our adjudicator didn't uphold the complaint. Miss R disagreed with the adjudicator's opinion so 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 Miss R's case.

I've decided not to uphold Miss R complaint because:

- I think Halifax made Miss R aware the PPI was optional and that she chose to take it out. Miss R's loan application has a "yes" box and a "no" box for PPI. Miss R has signed in the "yes" box. Miss R was also given a choice on her loan agreement, as she had to tick a separate box for PPI and sign separately again for it. I've taken into account Miss R's representative's comments about the cross on her agreement indicating where to sign. But considering all the information available, I think it's most likely a discussion took place about the policy and after this the documentation was completed. So Miss R would've been aware of the PPI and chose to have the cover.
- Halifax recommended the PPI to Miss R, but it doesn't look as if it was unsuitable for her based on what I've seen of her circumstances at the time.
- The cost of the policy was shown – including the amount of the premium, the interest payable on the premium and the total cost. I can't see that the monthly cost of the PPI was made clear. But I still think Miss R would've had enough information to understand how much the PPI would cost if she kept the policy for its full term.
- Miss R would've received a limited refund of the PPI premium if she cancelled the policy early. I don't know if Halifax thought about this when it recommended the policy or explained the situation clearly to Miss R. But Miss R has said she never intended to repay this loan early. So I don't think this made the policy unsuitable or better information about this would've stopped her buying it.
- It's possible Halifax didn't point out the main things the policy didn't cover. But it's unlikely Miss R would've been affected by any of these.

I've taken into account Miss R's representative's comments. But these points don't change my conclusion.

my final decision

For the reasons set out above, I don't uphold Miss R's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss R to accept or reject my decision before 9 July 2015.

Amy Osborne
ombudsman