

## **complaint**

Mr S complains that F H Warr & Sons Ltd (FHW) mis-sold him a payment protection insurance (PPI) policy.

## **background**

Mr S bought the policy during a meeting with FHW in 2006 in connection with a hire purchase agreement for a motorcycle.

Our adjudicator didn't uphold Mr S's complaint.

Mr S disagreed with the adjudicator and the complaint has now 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 PPI on our website and I've taken this into account in deciding Mr S's case.

Having done that, I've decided not to uphold Mr S's complaint.

I have looked at the policy document and am satisfied that Mr S was eligible for the policy.

Mr S says that he wasn't given a choice about whether or not to take the policy. I can't say what was actually discussed at the meeting but FHW have given us a copy of the credit agreement signed by Mr S. I note a separate signature was required for the PPI. I can see that Mr S signed confirming that he wanted PPI. The cost of the PPI is also set out separately and again states that the PPI is "optional". So overall, I think it more likely Mr S was aware that he had a choice.

FHW accept that they advised Mr S to take the policy out. This means that FHW were under a duty to ensure the policy was suitable for Mr S. I think the policy was suitable for Mr S for the following reasons:

- Although Mr S says that he wasn't asked about his health or his job, I note that Mr S had the "silver" cover under the policy as opposed to the "gold" cover. The gold cover wasn't for self employed people. Mr S was self-employed at the time. So it seems to me that some discussion took place about his job. Mr S has told us that he didn't have existing cover if he was off work sick. The policy provided cover for up to 36 months and so was useful for him. I note that Mr S says his wife could've helped with payments but we don't know for how long or what their circumstances would have been like at the time he may have needed help.
- Mr S wasn't caught by the restrictive terms of the policy. For example, he didn't have any pre-existing medical conditions which may have made it more difficult for him to make a claim.
- It doesn't appear that Mr S had a real need to keep costs down and the policy seems to have been affordable. So for example, he wasn't taking a loan out to consolidate debts.

- Although, Mr S wouldn't have been entitled to a pro-rata refund, it doesn't seem as though Mr S needed flexibility. For example, it didn't seem as though he would need to re-finance or settle the agreement earlier.

FHW also had to ensure they gave Mr S information in a clear, fair and non misleading way. I think that there may have been information failings by FHW – for example, the fact that Mr S wouldn't have received a pro rata refund isn't highlighted in the key facts. But I think that even if Mr S had been made aware, he would've still taken the policy for the same reasons that I have concluded that the policy was suitable for him.

**my final decision**

Based on the above, I don't uphold the complaint against F H Warr & Sons Ltd.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 1 June 2015.

Navneet Sher  
**ombudsman**