

## complaint

Mr and Mrs M complain that Nationwide Building Society ('Nationwide') mis-sold them a mortgage payment protection insurance ("MPPI") policy in 1991. Mr and Mrs M are represented by a claims management company ("CMC").

## background

The complaint was looked at by an adjudicator who didn't think that Mr and Mrs M's complaint should be upheld. The CMC didn't agree with this and asked for the case to be reviewed by an ombudsman.

## 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 explained our approach to complaints about PPI on our website, and I've used this approach in this case.

Having considered all available evidence and arguments, I've found that:

- Nationwide most likely didn't recommend the MPPI to Mr and Mrs M. This meant it didn't need to make sure the policy was suitable for them. However, it did need to make sure that it gave Mr and Mrs M the information they needed to decide whether to take it out.
- Mr and Mrs M were eligible for the MPPI as they met the policy rules about their age, where they were living and their employment status.
- Mr and Mrs M recall being made to feel that they had to take the cover to get the borrowing. Nationwide has said that the consumers would have been given a choice. The sale happened some 24 years ago and understandably there is limited documentation available from the time of the sale. For me to uphold I would have to think it that Mr and Mrs M's recollection was *more likely* than Nationwide's but I find it to be *as likely*. As such I can't safely conclude that the policy wasn't presented as optional during the sale.
- Nationwide could've made the information about the cost and benefit of the policy clearer. But looking at Mr and Mrs M's circumstances at the time – they were employed and in good health - and the cost and the level of benefit – I'm satisfied that the policy could've provided a useful benefit to them at a reasonable cost.
- The CMC has suggested that a different benefit split may have been more appropriate. But the overall cost of the policy was likely to have been the same to Mr and Mrs M, however the cover had been set up. This means that Mr and Mrs M would only be worse off if they had made a claim. I understand that no claim has been made on this policy. So looking back Mr and Mrs M haven't lost out as a result. And as the policy was cancelled in 1999 they won't lose out in the future.
- The CMC has told us that the policy has held by Mr M past his retirement age and he wouldn't have been able to benefit from the policy at that time. I've noted that Nationwide has refunded the premiums and added interest to them for this period of

the policy. As the refund already made by Nationwide is the same as I would have thought fair, I see no reason to ask Nationwide to make any further payment in respect of this aspect of the complaint.

I've looked at all of the information and for the reasons set out above, I don't think the policy was mis-sold.

**my final decision**

I don't uphold this complaint and make no award against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 10 July 2015.

Douglas Sayers  
**ombudsman**