

complaint

Mr E says that Doble Motorcycles mis-sold him a single premium payment protection insurance ('PPI') policy when he bought a motorcycle in 2005.

background

Our adjudicator did not uphold the complaint. Mr E disagreed with the adjudicator's opinion and so the complaint has been passed to me to consider.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. I think the relevant issues to take into account are the same as those set out in the note on our website about our approach to PPI complaints.

I've decided not to uphold Mr E's complaint for the reasons below.

I think Mr E knew he was taking out the policy and Doble Motorcycles made him aware the PPI was optional. I also think that Mr E had an interest in the cover.

Doble Motorcycles hasn't been able to provide a copy of the demands and needs document it says would've shown that Mr E agreed to take out the policy. Instead it's provided a sample copy of the document. This shows that a recommendation would've been made to take out PPI and that it would've been possible to accept or decline the recommendation.

Mr E told us he was advised the insurance would cover the repayments. He says he was told this because he had asked what he could do to cover himself against not being able to work through ill health.

Mr E declined other insurances on offer to him.

Overall, I therefore think Mr E understood he was taking out the PPI and that he had a choice in doing so.

Doble Motorcycles recommended the PPI to Mr E, but it doesn't look as if it was unsuitable for him based on what I've seen of his circumstances at the time. Mr E was self-employed and told us that he didn't have any other means of making his repayments if he couldn't work. He was solely responsible for meeting the repayments each month. And I think he would've found the policy useful if he couldn't work due to accident or sickness.

It's possible the information Doble Motorcycles gave Mr E about the PPI wasn't as clear as it should've been. But I think Mr E chose to take out the policy and so appears to have wanted this type of cover.

I've considered what Mr E has said about the policy not protecting him because he was self-employed. But being self-employed didn't make Mr E unable to use the PPI. I accept it can be difficult for a self-employed person to claim for unemployment cover under some PPI policies. But it appears there was some discussion about the level of cover recommended to Mr E. This is because he was recommended 'silver' cover which didn't include

unemployment benefit. So Mr E wasn't affected by any of the exclusions or limitations under the policy he took out.

The cost of the policy was disclosed on the credit agreement that Mr E signed. This included the PPI premium, the interest payable on the premium and the total cost of the premium (should the loan and cover run to their full term). I think Mr E was therefore aware of the policy cost and found it acceptable and affordable for his circumstances.

Overall I think Mr E decided to take out the PPI because he had an interest in the cover, and he knew he had a choice in doing so. I think the policy was suitable for his circumstances. And while information about the PPI could've been made clearer to Mr E, I think it unlikely that he would've made a different decision if better information had been provided. On balance I think he would still have taken out the policy.

my final decision

My final decision is that Mr E's complaint is not upheld and I make no award against Doble Motorcycles.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr E to accept or reject my decision before 19 January 2015.

Kristina Mathews
ombudsman