

## The complaint

Mr M says Lloyds Bank PLC mis-sold him payment protection insurance ("PPI").

## What happened

On the same day in 1993 Mr M opened two TSB Trustcard credit card accounts with Lloyds. PPI cover was added to the accounts either when Mr M opened them, or at some point between then and January 2000, which is the earliest that Lloyds has a record of PPI premiums showing on Mr M's credit card statements.

Our adjudicator didn't uphold the complaint. Mr M disagreed with the adjudicator's opinion, so the complaint's been passed to me.

## What I've decided – and why

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 M's case.

Where the evidence is incomplete or inconclusive I need to decide what I think's most likely based on the information I have.

I've decided not to uphold Mr M's complaint. I'll explain why.

- Lloyds no longer has a copy of Mr M's application forms or credit agreements for the cards. I don't think that's surprising or unreasonable, given that Mr M opened the accounts so long ago.
- Lloyds has, however, provided a sample of the type of application form that was in use when Mr M opened the credit card accounts. It includes a section on PPI, with equally prominent options to accept or decline the cover. I acknowledge that I can't be certain that Mr M took out the PPI at the same time as the credit cards. But if he took it out at a later date, I think it's likely that he'd have realised that the PPI wasn't compulsory. And from what we know about how Lloyds sold PPI with credit cards between 1993 and 2000, I think it's more likely than not that it would have made Mr M aware he had a choice about PPI.
- Taking everything into account, without stronger evidence that Lloyds didn't make it clear the PPI was optional, I can't fairly conclude it sold the PPI to Mr M without

giving him a choice. Overall, I think it's more likely than not that Lloyds made it clear to Mr M that he had a choice about whether to take the cover, and that he decided to take it, knowing that he didn't have to – although I can understand why he may no longer remember this, so long after the event.

- Mr M says PPI wasn't discussed when he opened the credit card accounts. Lloyds hasn't been able to confirm how the PPI was sold to Mr M. And I don't know whether it recommended it to him. If it *did* recommend the PPI, it had a responsibility to check that it was suitable for him. But even if it did recommend it to him, it doesn't look as if it was unsuitable, based on what I've seen of Mr M's circumstances at the time.
- Based on what we know of Lloyds credit card PPI policies sold between 1993 and 2000, I can see no reason why Mr M would have been ineligible for the PPI. And from what he's told us about his circumstances I don't think it's likely he'd have been caught by any of the things it didn't cover – such as existing health problems or unusual employment arrangements. So I'm not convinced that there'd have been anything to stop Mr M taking full benefit from the PPI cover if he'd needed to.
- Mr M has told us that he'd have been entitled to six months' full pay, followed by six months' half pay from his employer if he'd been off sick. But if he'd made a successful claim on the PPI, it's likely it would have helped with his monthly credit card payments for up to 12 months. What's more, it would have paid out in addition to his sick pay, allowing him to use that to meet day-to-day living expenses. And it would have provided similar protection if Mr M had lost his job.
- I acknowledge that Mr M has told us that his wife could have supported him financially if need be. But circumstances can change. So I can't be sure that Mr M's wife would have been in a position to help him if the need had arisen. And I don't think this meant he didn't need the PPI.
- It's possible the information Lloyds gave Mr M about the PPI wasn't as clear as it should have been. But I'm satisfied, on balance, that Mr M chose to take out the PPI. So he appears to have wanted this type of cover, even if he's understandably forgotten that now. It looks as if he could have benefited from the PPI cover. It was competitively priced, and I haven't seen anything to suggest that Mr M couldn't afford it. So taking everything into account, I think it's unlikely he'd have made a different decision even if better information had been provided. On balance, I think he'd still have taken out the policy.

I've taken into account all Mr M's comments, including what he's said about always having been able to make his monthly credit card payments. But the PPI was designed to help with Mr M's monthly credit card payments if something *unexpected* happened. And while he may, in fact, not have had any reason to claim on the PPI, he couldn't have known that this would be the case when he took it out. So this doesn't change my conclusion that the PPI wasn't mis-sold.

## **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 March 2020.

Juliet Collins  
**Ombudsman**