

complaint

This complaint is about a credit card payment protection insurance (PPI) policy taken out in 2005. Mr K says The Royal Bank of Scotland Plc (RBS) mis-sold him the PPI.

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 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 K's case.

Mr K said, in summary, he didn't need PPI because of his significant work benefits and that he would've been able to maintain his repayments from these if he was out of work. He said he wasn't told about the costs and benefits of the policy and would've declined the insurance if given clearer information.

I've decided the policy wasn't mis-sold. I'll explain why.

- Mr K applied for the card on line. He signed a credit agreement agreeing to take out the credit card. On it, there was a section about PPI. To take out PPI, the customer would've had to select the box saying they wanted it. The box could've been left blank if they didn't want PPI. There is a tick in the box on Mr K's application saying that he wanted PPI. The box to select card registration was left blank. I think it likely that Mr K would've understood PPI and card registration were optional products and he didn't have to take them. So, I think it more likely he opted to take PPI, completing the paperwork and signing the form to say he wanted it.
- RBS didn't recommended the PPI to Mr K so it didn't have to check that it was suitable for him. However, it still had to give him information that was clear, fair and not misleading, so that he could decide for himself if the PPI was right for him and if he wanted to buy it.
- Mr K said he would've got sick pay from work, six months at full pay and six months at half pay. He said he would've also have got redundancy pay and had £500 in savings. Based on what I've seen of Mr K's circumstances at the time, I can't see that PPI was inappropriate for his needs. He was eligible to take out the policy and it appeared affordable. I can't see that he was affected by any of the main exclusions to or limits on the PPI cover. The policy would've paid out on top of Mr K's work benefits, allowing him to use these to meet his other household expenses. It would've paid out for up to 12 months per successful claim. I can't see that Mr K other resources meant that the PPI wasn't right for him.
- Mr K says the information he was given about PPI wasn't clear, particularly about the costs and benefits. It's possible the information RBS gave Mr K about PPI wasn't as clear as it should've been. But he chose to take it out - so it looks like he wanted this type of cover. And it seems like it would have been useful for him if something went wrong. It also looks like it was affordable. So I don't think better information about the PPI would have put him off taking out the cover.

I've thought about everything Mr K's said, but these points don't change my decision. I can't see that Mr K has lost out because of anything that RBS did wrong.

my final decision

For the reasons explained above, I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 8 June 2019.

Kim Parsons
ombudsman