

## **complaint**

Mr K says HSBC Bank plc (trading as first direct) mis-sold him a payment protection insurance ("PPI") policy.

## **background**

This complaint is about a credit card PPI policy taken out in 2002. The policy was added to Mr K's credit card account when he applied for the card by post.

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

Mr K is mainly concerned that HSBC should've checked his circumstances before selling him PPI and he feels he's wasted his money as he says he didn't need it.

## **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 this case.

I've decided not to uphold Mr K's complaint.

I think HSBC made Mr K aware that the PPI was optional and that he chose to take it. I say this because Mr K made it clear on the application form that he wanted to take out the policy by ticking to have the cover added on. There was an option for him to say he didn't want to have PPI which he could've ticked instead – this is left blank on Mr K's completed application. So I think that this form, which Mr K completed in his own time after it was sent to him at home, made it clear he had a choice. And I find that the policy was added to his account when he indicated on the application he signed to get his credit card that he also wanted to have PPI.

HSBC didn't recommend the PPI to Mr K so it didn't have to check if it was suitable for him. But I've looked carefully at whether it gave him enough clear information so he could decide for himself if he wanted to have PPI.

The policy protected Mr K's credit card monthly repayments in the event of accident, sickness and unemployment for up to 12 months per claim. And repeat claims were possible.

Based on what Mr K told us about his circumstances at the time, I can see how he could've benefitted from having the policy. It provided him with protection for significantly longer than he could've depended on his employer to pay him full sick pay.

I've also taken into account that Mr K mentioned having some savings he could've relied on – but I don't know if he would've always had savings he could depend on to make his monthly repayments. And it looks likely that the PPI provided cover for longer than his savings would've lasted if he'd had to rely on these to cover his outgoings when he wasn't working. So this doesn't affect my overall view.

It's possible some of the information HSBC gave Mr K about the PPI wasn't as clear as it should've been. But Mr K chose to take out the policy when he didn't have to and so he appears to have been happy to pay for the cover he wanted. The policy seems to have been affordable for him.

And it doesn't look as if Mr K was affected by any of the main conditions that might've limited the policy's benefits to him. So, even if not everything was mentioned, I don't think that knowing more about things the policy didn't cover would've put Mr K off taking the policy out.

Based on all the information I've seen about his circumstances at the time, I don't find there's enough information to be able to uphold his mis-selling complaint. Looked at overall, I think it's unlikely Mr K would've made a different decision if better information had been provided. Given his circumstances and the benefits the policy offered him, on balance I think he still would've taken out the PPI. So HSBC doesn't need to do anything to put things right.

### **my final decision**

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr K to accept or reject my decision before 5 July 2019.

Susan Webb  
**ombudsman**