

## **complaint**

Mr M complains that Lloyds Bank plc mis-sold payment protection insurance (PPI) to him.

## **background**

In late 1994 and early 1995 Mr M opened two credit card accounts with TSB, which became part of Lloyds. We know that by 2000 Mr M had PPI on both accounts, but not exactly when or how it was sold to him. By 2005 both accounts had been closed and the PPI cancelled. Mr M told us that he didn't remember the sale, and hadn't realised he had PPI as he was self-employed so thought it didn't apply. He didn't think the terms and exclusions had been explained to him.

Our adjudicator recommended that the complaint was not upheld. Mr M disagreed, so the complaint has been passed to me to make a decision.

## **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 considering Mr M's case.

Understandably when the sale took place at least 17 years ago, Lloyds does not have any original documents Mr M signed. Although we know from account statements the PPI was in place on both accounts by 2000, we don't know exactly when it started as no earlier statements are available and Lloyds has no other record of that. In cases like this, where the evidence is incomplete or contradictory, I have to make my decision on the balance of probabilities – that is, to decide what is most likely to have happened. I think it is most likely the PPI was actually sold at the same time as the cards, around the end of 1994 and the start of 1995.

The best evidence we have about what Mr M would have known when the PPI was sold are samples Lloyds provided of the type of forms used around that time to apply for TSB credit cards. One of the samples dates from 1993 and the other from 1995. Each of the forms contains a section about PPI and a box to tick if the consumer wished to take it. It seems likely Mr M would have signed a similar form to the samples. So, from that, I think that it is more likely than not that Mr M agreed to take the PPI, knowing that it was optional. I can understand why he wouldn't remember that so much later.

Although Mr M said Lloyds did not give advice about the PPI, it says it probably did. When I think the PPI was probably sold along with the cards, I agree that that is likely. In that situation Lloyds needed to check that the PPI was suitable for Mr M. I think it was:

- Mr M was eligible for the policy;
- From what I know of his circumstances Mr M wasn't affected by any of the limitations or exclusions of the policy which might make it particularly difficult for some people to make a successful claim. Some PPI policies had terms which meant they weren't really suitable for self-employed people like Mr M. But that wasn't the situation with the relevant policies being offered by TSB at the time. So the fact that Mr M was self-employed doesn't mean the PPI was unsuitable for him;

- Mr M wasn't eligible for any sick pay or redundancy pay through his employment, and didn't have any savings. After an initial 30 day waiting period he could have claimed under the PPI policies for up to twelve months if he was sick, injured or out of work, and it would have paid 10% of the balance each month. So I think they could have been very useful to him.

I can't be sure Mr M was given enough information about the PPI (especially about the costs and benefits). But from what I know of his circumstances and the relevant policies, I can't see that he would have made a different decision and not taken PPI if he had been better informed. So I don't think he lost out because of anything Lloyds did wrong.

### **my final decision**

My final 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 24 August 2017.

Hilary Bainbridge  
**ombudsman**