

## **complaint**

Mr H says that Lloyds Bank plc (Lloyds) mis-sold him a regular monthly premium payment protection insurance (PPI) policy.

## **background**

In 1997 Lloyds (trading as TSB) sold Mr H the PPI for a credit card in a meeting.

The PPI included unemployment, accident and sickness cover and cost £0.77 per £100 of outstanding monthly balance. And for a successful claim it would've paid 10% of the outstanding monthly balance for up to 12 months.

Our adjudicator didn't uphold Mr H's complaint and he disagreed with this. So, the complaint comes to me to decide.

## **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 H's complaint.

*did Mr H have a proper choice about taking the PPI?*

Lloyds had to make clear the PPI was optional. Neither side's been able to give us any detail about what was said in the meeting about this. But I don't think that's unreasonable as the meeting was so long ago. So I've relied more on what the documents from the time show.

Lloyds sent us a copy of the credit card application Mr H signed. Looking at it, I can see it has a section headed "Payment Protection Plan". This section had a box to tick to take PPI, which I can see has been ticked. And Mr H signed the form almost next to that section.

So I think this would've made it clear to Mr H at the time that he had a proper choice about taking PPI. And I think it's likely Mr H ticked the box and chose to take PPI.

*was the PPI suitable for Mr H?*

Lloyds recommended the PPI to Mr H. So they had to take adequate steps to make sure it was suitable for him. I don't know what was actually discussed during the meeting. So I can't say if Lloyds did take adequate steps.

But I don't need to make a decision about this. Because - even if Lloyds didn't take adequate steps - I think the PPI was suitable for the following reasons.

I've set out the PPI's costs and main benefits above. And Mr H met the PPI's requirements so was eligible for it.

Mr H told us he didn't have any work benefits or other cover to pay the monthly card *and* his other living costs if he couldn't work. And there wasn't anything in the PPI that would make it difficult for Mr H to make a successful claim.

For example, Mr H told us he was in full time employment and good health when the PPI was sold. So he wouldn't have been affected by things in the PPI about unusual employment or known health issues. And nothing Mr H told us suggests the PPI wasn't affordable.

So taking all of the above into account, I think the PPI was suitable for Mr H.

*did Lloyds give Mr H enough information to make a proper choice about taking the PPI?*

Lloyds had to give Mr H enough clear, fair and not misleading information to make a proper choice about taking PPI. But I don't know what was actually explained to Mr H about the PPI. So I can't say it's likely Lloyds did give him enough information to make a proper choice.

But did Mr H lose out as a result - would he have taken the PPI if Lloyds had properly told him about it?

I've explained why I think the PPI was suitable. So I think Mr H would've thought the PPI's costs and benefits were competitive and that it gave peace of mind. And so I don't think Mr H lost out because I think he would've taken the PPI if Lloyds had properly told him about it.

#### **my final decision**

For the reasons I've explained above I don't uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 June 2016.

Julian Cridge  
**ombudsman**