

## **complaint**

Miss S complains that Lloyds Bank PLC, trading as TSB, mis-sold her a payment protection insurance (PPI) policy.

## **background**

This complaint is about a PPI policy attached to a TSB Trustcard credit card. The card was taken out in 1994, but Lloyds can't now say whether the PPI was also taken out at that time - it could have been taken out later. But this must have been by January 2000, as Lloyds has a record of PPI charges showing on Miss S's card statements by then.

Our adjudicator didn't think the complaint should be upheld. Miss S disagreed with the adjudicator's view, so the case has been passed to me.

## **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 Miss S's case. Having done so, I'm not upholding her complaint for reasons I'll now explain.

Unfortunately, Lloyds don't have much information or paperwork about this PPI sale. But this isn't that surprising given the sale took place such a long time ago. Miss S doesn't seem to have a good memory of the sale either. So in these circumstances, I need to decide what I think is most likely to have happened based on the very limited information available to me.

Miss S says she didn't know that PPI had been added to her credit card account and thinks it must have been done without her knowledge.

Lloyds no longer has a copy of Miss S's credit agreement for her card, or a separate application form for her PPI policy. It has provided an example of a credit card agreement from around the time Miss S's card was taken out. And this shows that a PPI selection box would need to have been ticked for this cover to have been added. But I can't rely on this example form as I don't know whether this was when the PPI was added to her account, or how it was sold to her.

But this service has seen a lot of other examples of TSB Trustcard credit agreements covering the whole period when the PPI may have been sold and across the different sales channels it used. We also have a reasonably good understanding of the sales processes used by TSB during this time. And I'm satisfied that PPI isn't likely to have been added to Miss S's card account by TSB unless she had agreed to this. I also think she would have queried why PPI was shown as being charged on her card statements if she hadn't said she'd take it.

So, on the limited information I have available to me, I think it's most likely that Miss S actively decided to take out PPI cover knowing she had a choice. But I can understand why she may not be able to recall this now.

Neither Lloyds nor Miss S can say for sure whether the PPI was recommended to her. But I've looked at this complaint on the basis that Lloyds did recommend the policy. This is because this means it needed to ensure that the policy was suitable. I don't know how

Lloyds did this. But from what I know of Miss S's circumstances at the time, I can't see any reason why it wouldn't have been suitable. I say this because:

- Miss S appears to have been eligible for the policy throughout the period when it could have been sold to her. And she doesn't seem to have been affected by any of its main exclusions or limitations.
- Miss S says she didn't need the policy during this time because she was in a secure job and was eligible for sick pay. But this policy would have paid out in addition to any other means she had of making her repayments if she couldn't work. It would have paid off ten percent of her outstanding balance each month for up to twelve months per claim. So I still think she would have valued the extra security the policy gave her.
- I've no real reason to think the policy was unaffordable for Miss S. And as the premiums for the policy were charged monthly, she could have cancelled it if it no longer met her needs.

Lloyds also needed to ensure that Miss S was given enough information about the policy to make up her own mind about whether she wanted it. I think that the information Lloyds gave her could have been better than it was. But for much the same reasons that I don't think the policy was unsuitable for her, I don't think better information would have changed her mind about taking it out. I think she'd still have thought it gave her useful cover at an affordable price.

So I don't think that Miss S has lost out by anything that Lloyds may have done wrong when it sold her this PPI policy.

### **my final decision**

For the reasons given above, I'm not upholding this complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 18 October 2018.

Simon Furse  
**ombudsman**