

## **complaint**

Mr S says Lloyds Bank PLC (trading as TSB) mis-sold him payment protection insurance (PPI).

## **background**

Mr S took out a TSB credit card in 1994. It's not clear if PPI was added to his account straightaway or later on. But we do know there was a PPI policy on Mr S's account by January 2000.

Mr S says he didn't know he had the cover.

The adjudicator who looked at Mr S's complaint didn't uphold it. He disagrees with the adjudicator's opinion and so his complaint has come 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 here.

I've decided not to uphold Mr S's complaint. I'll explain why.

Lloyds has no record of how it sold PPI to Mr S. I don't think that's surprising since the sale was so long ago. Although Mr S has told us he can't remember how the PPI was sold, it seems he may previously have said to Lloyds he thought it was in a meeting.

So Lloyds has sent us a sample of the type of credit card application form it says it would've used at the time. It has a section on PPI with a box to tick if an applicant wants it. It's possible this isn't the application form Mr S saw. But, even if that's the case, I don't have enough to say fairly Lloyds didn't give Mr S a choice and get his consent to the PPI. On balance, I think it's likely he agreed to it knowing he didn't have to.

I know this isn't how Mr S remembers things and I don't doubt he's told us honestly what he can about the sale. But his recollections aren't very detailed. This isn't surprisingly but it does mean that what he says about not knowing he had PPI isn't strong enough on its own for me to uphold his complaint on this point.

I know Mr S has recently told our adjudicator that, back in the 1990's, he had time off work because of a health issue and was made redundant from one of his jobs. He says if he'd known he had PPI he would've claimed. I do sympathise with Mr S's position. But I have to look primarily at what I think is likely to have happened when Lloyds sold Mr S the PPI – and not at what he did or didn't do afterwards – to decide if it mis-sold him the policy. And, as I've said, at the time I think it's likely he agreed to it.

I've gone on to look at whether there are any other reasons why I should uphold Mr S's complaint. I don't think there are. Lloyds has treated the sale of Mr S's PPI as if it recommended it to him. This imposes a higher standard on it than if it was giving him information so he could make his own choice. It means Lloyds had to make sure the PPI was right for Mr S in his particular circumstances.

Looking at Mr S's circumstances and at Lloyds PPI policies sold between 1994 and 2000, I think it's likely the PPI was right for him. Mr S has told us it's likely he would've got some sick pay with the jobs he was doing within this period – perhaps three months of full pay, then six months of half pay. He's also said he's unlikely to have had any savings he could fall back on if he wasn't working. The PPI would've paid out on top of Mr S's sick pay and potentially for longer. It would've helped him make his credit card repayments at what might well have been a stressful time. So I think it gave him useful protection he wouldn't otherwise have had.

I think it's likely the information Lloyds gave Mr S about the PPI wasn't as clear as it should've been. I don't think it will have made the true cost of the policy clear, nor told him about some of its important limitations and exclusions.

But I think it's likely Mr S chose to take out the policy, so he appears to have wanted this type of cover. He wasn't affected by any of its exclusions or limitations and it was apparently affordable. So I think it's unlikely Mr S would have made a different decision if Lloyds had given him clearer information. On balance I think he'd still have bought it.

I know Mr S is frustrated that Lloyds originally told him he didn't have PPI on his TSB credit card account – and then told him he did. Our adjudicator has spoken to Lloyds about this. I'm afraid Lloyds hasn't got any records to show us why this might've happened, so I can't shed any light on it. But, in any case, this is a separate point which doesn't change my conclusion on Mr S's complaint about the sale of his PPI.

### **my final decision**

For the reasons I've given, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 February 2017.

Jane Gallacher  
**ombudsman**