

## **complaint**

Ms E says Lloyds Bank plc mis-sold her a payment protection insurance (“PPI”) policy.

## **background**

This complaint is about a credit card PPI policy. Ms E opened a TSB Trustcard credit card account in 1997. A PPI premium shows on the earliest available credit card statement, from January 2000. So it’s clear that PPI was either added to the account at the outset, or was added sometime between the date the account was opened and January 2000.

Our adjudicator didn’t uphold the complaint. Ms E disagreed with the adjudicator’s opinion so the complaint 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 Ms E’s case.

Where the evidence is incomplete or inconclusive, I need to decide what I think’s most likely based on the information I have.

I’ve decided not to uphold Ms E’s complaint. I’ll explain why.

- Lloyds no longer has a copy of Ms E’s credit application. I don’t think that’s surprising, given that she took the card out so long ago. But it’s provided a sample of the type of credit card application form it says it was using at the time for this sort of card. This includes a box to tick if the applicant wished to take PPI.
- I’ve noted that Ms E says she didn’t want, or ask for, the PPI. And of course, I can’t be sure that she signed a form like the one that’s been provided, or that she ticked a box to confirm that she wished to take PPI. I also acknowledge that I can’t be certain that Ms E took out the PPI at the same time as the credit card.
- But based on what we know about the way Lloyds usually sold PPI at the time, I think it’s more likely than not that it made Ms E aware that she had a choice about buying the PPI. And if she took it out at some point *after* she opened the credit card account, I think she’d have been aware that the PPI wasn’t compulsory. So overall, I think it’s more likely than not that Ms E chose to take the PPI, knowing that it was optional. But I can understand why she may no longer remember this.
- Lloyds no longer has a record of how it sold the credit card or PPI to Ms E. But Ms E says she applied for the PPI at a meeting with the bank, and that it recommended that she take the PPI. If that’s the case, Lloyds had a responsibility to make sure that the policy was suitable for her. But it doesn’t look as if it was unsuitable for her, based on what I’ve seen of her circumstances at the time.

- Ms E's told us that she'd have been entitled to six months' full sick pay from her employer, followed by six months' half-pay. But if she'd made a successful claim under the PPI policy, it would have helped with her monthly credit card payments for up to 12 months. That's longer than she'd have been entitled to full sick pay for. What's more, it would have paid out in addition to her sick pay, allowing her to use that to meet day-to-day living expenses. And it would have provided similar protection if Ms E had lost her job.
- It's true that Ms E's told us that friends and family could have helped her with her credit card repayments if she'd been unable to work. But I've borne in mind that circumstances can change. I don't doubt that Ms E's friends and family would have wanted to help. But I can't be sure that they'd have been in a position to do so. Taking everything into account, I think the policy could have been useful for Ms E.
- It's possible the information Lloyds gave Ms E about the PPI wasn't as clear as it should have been. But I think it's likely that she chose to take out the policy, and so appears to have wanted this type of cover. I've seen nothing to suggest that she couldn't afford the policy. So I think it's unlikely Ms E would have made a different decision if better information had been provided. On balance I think she'd still have taken out the policy.

### **my final decision**

For the reasons I've set out, I don't uphold Ms E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 16 April 2018.

Juliet Collins  
**ombudsman**