

## **complaint**

Mrs B complains that Lloyds Bank plc, (trading as “TSB”), mis-sold her a payment protection insurance, (PPI), policy.

## **background**

Mrs B took out the PPI sometime between 1997 and early 2000 to cover her credit card payments had she been unable to work because of accident, sickness or unemployment.

Our adjudicator didn't think that TSB had done anything wrong. As Mrs B disagreed the matter has been passed 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 Mrs B's case.

Because the policy was sold such a long time ago neither Mrs B nor TSB clearly remembers the detail of how the policy was sold. Nor has either of them been able to send us copies of the paperwork signed by or given to Mrs B at the time. So I've had to decide this matter based on what we know generally about TSB's sales practices at the time. And also on the balance of probabilities - that is to say what I think is most likely to have happened.

On this basis and, where appropriate and so far as is fair and reasonable, making assumptions to give Mrs B the best outcome, I do not uphold this complaint. I set out my reasoning below:

- From what we know about TSB's policy terms and conditions and Mrs B's circumstances at the time of the sale, I'm satisfied that she was eligible for the insurance.
- I find that TSB made it clear to Mrs B that taking out the PPI was optional and that she chose to take it. This is because on the balance of probabilities I find that Mrs B would have had to actively select that she wanted the insurance. Either because she applied for it separately sometime after she made her application for the credit card. Or because when she signed for the card the application form would have been marked to show she wanted the PPI. (Even if TSB's representative completed the form for her to sign, I'm satisfied that it would have been filled in that way following a discussion with Mrs B and her agreement.)
- I've assumed that the sale took place during a meeting and that TSB recommended the policy to Mrs B. In these circumstances TSB had to take reasonable steps to ensure that the policy was suitable for her. I don't know what steps TSB actually took. But that doesn't matter because I find that it was suitable. I say this because:

- Mrs B has told us that the most sick pay she would have been entitled to receive in the period when the sale would have taken place was less than 12 months salary. She also told us that she had no other savings or insurance to meet her monthly credit card payments. But following a successful claim the policy would have paid out 10% of her credit card balance for up to 12 months. So I find that it would have been of use to her.
- I'm satisfied that Mrs B wouldn't have been affected by any of the policy's main restrictions or limitations. Such as those affecting someone with a pre-existing medical condition. Or someone who was self-employed.
- The PPI was competitively priced by reference both to the amount of the benefit it would have paid and to other policies available on the market at the time. And I haven't seen anything to suggest that it was unaffordable.
- It's possible that the information TSB gave Mrs B about the PPI could have been clearer. But for the reasons I've given above I don't think better information would have stopped her buying it. So I don't find that Mrs B has lost out because of anything that might have been wrong in the way TSB sold her the policy.

#### **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 10 April 2017.

Ros Barnett  
**ombudsman**