

complaint

Mr C says Lloyds Bank PLC trading as Lloyds TSB (“Lloyds”) mis-sold him a payment protection insurance (“PPI”) policy.

background

Mr C bought the policy in 2000 at the same time as taking out a credit card. Mr C says he took the card during a meeting with Lloyds. Lloyds doesn't have any further information to show the card wasn't taken out in a meeting, so it agrees with Mr C.

Our adjudicator didn't think we should uphold the complaint. Mr C 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 Mr C's case.

I've decided not to uphold Mr C's complaint because:

Lloyds has to make it clear to Mr C that he had a choice about buying the PPI. Mr C says he was unaware PPI had been added to his credit card.

Lloyds has provided a copy of Mr C's credit card application form. Under the heading '*Optional features*' there are a number of boxes. The box for PPI has 'Yes' printed in it and the others have been left blank. So I think it's likely this followed a discussion where Mr C agreed which optional products he wanted to buy before the form was printed. And I think it's fair to say Mr C would've questioned anything he wasn't sure of before he signed the form – or not signed it if he didn't agree with it.

So on balance, I think it's more likely that Lloyds made Mr C aware that he had a choice about buying the PPI, and that he chose to take it.

Lloyds says it recommended the PPI to Mr C, so it needed to make sure it was right for him based on his personal circumstances. From what I've seen Mr C was eligible for the policy and I haven't seen anything that would've stopped him from making a claim if he'd needed to. And if Mr C had made a successful claim, the policy would've paid out in addition to any sick pay or savings he already had.

Mr C says he didn't need PPI as he had an income protection policy. Our adjudicator asked both Mr C and Lloyds for information about this. Lloyds says it doesn't have a record of any other policies and Mr C says he can't remember much about the policy – which is understandable as the credit card and PPI were sold a long time ago. But without anything to make me think otherwise, I haven't seen enough to make me think Lloyds shouldn't have recommended PPI to Mr C.

It's possible the information Lloyds gave Mr C about the PPI wasn't as clear as it should've been. But Mr C doesn't appear to have been affected by any of the main things the policy

didn't cover – such as unusual working arrangements and pre-existing medical conditions. And although Mr C says he'd had some time off work in the past, that was around five years before the PPI was sold and doesn't appear to have been an ongoing illness.

Based on what I know about Mr C's circumstances it looks like the PPI policy could've been useful to him. So I don't think better information would've stopped him buying it.

I've taken into account Mr C's comments, including what he's said about having other PPI complaints upheld. But I've only looked into the facts of this complaint and PPI policies can vary. So this point doesn't change my conclusion.

I'm sorry to disappoint Mr C but I don't think this PPI policy was mis-sold.

my final decision

For the reasons set out above, I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 June 2017.

Sam Wade
ombudsman