

## **complaint**

Ms M says Lloyds Bank Plc trading as TSB mis-sold her a payment protection insurance (PPI) policy.

## **background**

This complaint is about a credit card PPI policy taken out in June 1995. The PPI was added to Ms M's credit card account when she applied for the card. TSB has told us that the credit agreement closed in 2005.

Our adjudicator did not uphold the complaint. Ms M 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 M's case.

I have decided not to uphold Ms M's complaint because:

- Based on the likely terms and conditions that applied at the time I think Ms M was eligible for the PPI when she bought it.
- I am satisfied on balance of probabilities that Ms M chose to protect her credit card repayments, knowing there would be a cost to do so. No documentation survives from this sale as it was so long ago. Ms M gives no persuasive commentary on what exactly happened when she applied for the credit card or the PPI. This is entirely understandable considering the length of time since the PPI was sold. But I can see TSB's records show Ms M paying for the PPI on a regular basis. This service is familiar with the sales processes of TSB around that time. And considering that all together I think she knew that she could get the card without having PPI and chose to take the PPI knowing she didn't have to.
- I'm happy that this sale was on an advised basis. So TSB had to provide information so that Ms M could fairly make an informed decision about the PPI and ensure the PPI was suitable for her circumstances.
- The information TSB gave Ms M about the PPI wasn't as clear as it should have been. But Ms M chose to take out the policy and so appears to have wanted this type of cover. I've considered the terms of the policy and what she's said about her circumstances when she took the PPI. From this I don't think she was affected by any of the exclusions or limitations in the terms. So I don't think better information about them would have stopped her taking the PPI.
- I don't think TSB properly explained all the costs of the PPI. It didn't explain that the premium would be added to Ms M's credit card balance and could attract interest. It also failed to properly explain the level of benefit in the event of claim. But I think Ms M would have still bought the policy anyway if better information had been provided considering the circumstances she was in.

- Ms M had some sick pay and no other means with which to meet her repayments in the event she had to stop working unexpectedly. The cost of the policy was competitive with the market. And the policy provided Ms M with a reasonable benefit, which in her circumstances I think she would have considered useful.
- I've considered whether TSB took adequate steps to ensure the suitability of its recommendation to Ms M. I'm not persuaded it did, but I don't think this makes a difference. Having considered the circumstances Ms M describes that she was in at the time and the PPI that was recommended I'm satisfied on balance it was suitable for her. So I think it would have still been recommended to her had TSB properly analysed her situation.
- Having considered everything when this credit agreement ended I don't think TSB has anything other to do here.

This means it is not appropriate for me to uphold this complaint, as Ms M has not lost out as a result of any failings in the sale. I appreciate this will be disappointing to Ms M.

#### **my final decision**

For the reasons set out above, I don't uphold Ms M's complaint against Lloyds Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 24 September 2018.

Rod Glyn-Thomas  
**ombudsman**