

complaint

In 1998, Mr B took out a credit card with Lloyds Bank PLC (Lloyds), who at the time were trading as TSB. Alongside the credit card, Mr B also took out a payment protection insurance (PPI) policy. He thinks that Lloyds mis-sold this policy to him and he believes it should refund him all the premiums he paid, plus interest.

background

One of our adjudicators has already looked into this this case. The adjudicator didn't think that Lloyds had mis-sold the policy to Mr B and didn't recommend that it should give him any money back. Mr B disagreed and asked for an ombudsman to review his case, so it has come to me to make a final decision.

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 what to do in Mr B's case. After looking into everything, I've decided not to uphold it. I explain why below.

Mr B told us that he took out the credit card and policy when he visited one of Lloyd's branches and spoke to one of its advisers. He said that the adviser told him that he would "*need to take (the PPI) in order for the credit card to be accepted*" and that Lloyds didn't tell him about the policy's costs, benefits, exclusions or limitations. I've thought about Mr B's concerns very carefully.

Mr B took out the policy around twenty years ago and not surprisingly, neither he nor Lloyds have been able to send us any of the paperwork he completed at the time. And there is no record of what, if anything, was discussed about PPI. However, I have seen examples of the types of application form that Lloyds was using around the time when Mr B bought the policy. These forms had a section for PPI which was separate from information about the credit card itself. If customers wanted PPI, they had to tick a box in this separate section. It seems likely to me that Mr B would have signed one of these forms and that Lloyds did enough to let Mr B know that he could have taken the credit card without the PPI policy.

Mr B has mentioned feeling pressured into having the PPI, but he's not told us about anything specific that Lloyds said or did which would in my view amount to unfair pressure. And the application form would've shown him that he didn't need to take out PPI.

Mr B has told us that Lloyds didn't recommend the policy to him or give him any advice about it. However, Lloyds has suggested that it may have recommended the policy to him. This means that it would have had to check that the policy was suitable for Mr B *and* tell him about it in a fair, clear and non-misleading way, so he could decide whether or not he wanted it.

I haven't seen anything to make me think that Mr B would have been affected by any of the policy's exclusions or limitations. He has told us that he would have received some sick pay from his employer if he was off work ill, but the policy would have provided him with additional benefits if he had needed to make a claim for sickness, and could have paid out for much longer than his sick pay. It may also have paid out if Mr B had he lost his job. The policy had eligibility rules which Mr B met and he seems to have been able to afford it. I think it could've been useful for him and I think it was reasonable for Lloyds to recommend it to him.

I accept that Lloyds may not have explained everything about the policy to Mr B as clearly as it should have. But, as I'm satisfied that Mr B was eligible for the policy, that Lloyds gave him a choice about it and that it was suitable for him, I don't think clearer information about the policy would have prevented him from buying it. I don't think Lloyds mis-sold the policy.

my final decision

For the reasons I have set out above, I don't uphold Mr B's complaint. I'm not going to tell Lloyds Bank PLC to give him any money back.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 30 November 2018.

Steve Townsley
ombudsman