

## **complaint**

Mr S says Lloyds Bank Plc (trading as "Lloyds TSB") mis-sold him a payment protection insurance ("PPI") policy.

## **background**

This PPI policy was taken out in 2001 with a credit card. Mr S paid a monthly premium for his policy.

Our adjudicator didn't uphold the complaint. Mr S disagreed with the adjudicator's opinion so this complaint has been passed to me.

## **my findings**

I've considered all the available evidence and arguments to decide what is 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 S's case.

I've decided the policy wasn't mis-sold because:

- Both Mr S and Lloyds TSB said the credit card and PPI were taken out in a branch. And the evidence I've seen supports this. I've also seen the credit agreement Mr S saw and signed. This agreement shows that there was both a yes and no box for PPI in the section headed '*optional features*' - and the yes box was ticked. Mr S then signed this agreement to show he consents to the information contained within it.

Mr S said he cannot recall anyone mentioning PPI. But this PPI was sold more than 17 years ago, and even the best of memories can fade over such a long time. So I can understand if Mr S cannot remember everything that happened from that time. But based on what I've seen and heard, I think Lloyds TSB made it clear the PPI was optional and Mr S chose to take it out.

- Mr S said he wasn't provided any advice or recommendation to take out the policy. But Lloyds TSB said they did advise him. I've assessed this case as if Lloyds TSB did give advice, as this places more responsibility on them to have made sure the policy was suitable for Mr S. And based on what I've seen of his circumstances at the time, I think that it was. For example he wasn't affected by any of the exclusions to or limits on the PPI cover and he seems to have had a need for the cover.
- It's possible the information Lloyds TSB gave Mr S about the PPI wasn't as clear as it should've been. And Mr S feels strongly that he wasn't given much information about this policy. But he chose to take out the PPI - so it looks like he wanted this type of cover. And it looks like it would have been useful for him if something went wrong. It also looks like it was affordable. So I don't think better information about the PPI would have put him off taking out the cover.
- Mr S said that he wasn't aware of the benefit of this policy and had he have known the PPI only provided a 5% benefit - he wouldn't have taken it out. And I haven't seen anything to show that Halifax did explain the benefit of the policy to Mr S. However, I've

considered Mr S's circumstances from the time of sale, and even with a 5% benefit it looks like this policy would've been useful for him. I say this because Mr S told us he was entitled to 3 months' worth of sick pay from his employer and had no other means to make his repayments. However, having this PPI in place meant that he could've been covered for up to 12 months in the event that he needed to claim. So I still think this policy was suitable for him and he could've found it beneficial.

Mr S also said that he should have been told he could've taken out a policy with a 10% benefit elsewhere. However, Lloyds TSB had no obligation to let Mr S know about other PPI policies available from other providers. It was up to Mr S to shop around to find the policy he wanted.

- Mr S told us that he tried to cancel the policy but Lloyds TSB told him the PPI could not be taken off and it was part of the agreement. I've been in touch with Lloyds TSB and they said they have no records to show Mr S contacted them to try and cancel the policy. So I've considered what Mr S has told us but in the absence of any supporting evidence it is difficult to rely on his statements alone to say that Lloyds TSB made an error in the circumstances. I've also considered that the policy was initially clearly presented as an optional extra, and so I think it's unlikely that that Lloyds TSB would have later given Mr S the impression that the PPI was not optional. So I've not upheld the complaint on this point.
- I've thought about everything else Mr S has said, but for the reasons outlined above, these points don't change my decision.

### **my final decision**

As I've outlined above I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 6 September 2018.

Sienna Mahboobani  
**ombudsman**