

complaint

In 1998, Mr P took out a credit card with Lloyds Bank Plc (Lloyds), who at the time were trading as TSB. At around the same time, he 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 for it, plus interest.

background

One of our adjudicators has already looked into this case. The adjudicator didn't think that Lloyds had mis-sold the policy to Mr P and didn't recommend that it should give him any money back. Mr P 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 P's case. I've looked into everything and I've decided not to uphold it. I explain why below.

Mr P has told us that he *"took the credit card through (his) bank"* and that Lloyds *"didn't explain anything to (him)"*. He's told us that he *"didn't know he had PPI"*.

It's not clear exactly when Mr P took PPI, but it was about twenty years ago and not surprisingly neither he nor Lloyds have been able to send us much paperwork from the time, or tell us about any discussions they may have had about PPI. However, I have seen examples of the type of application form that Lloyds was using around that time. 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 Lloyds would have used one of these forms with Mr P and that he would have ticked the box to take PPI. If he hadn't wanted it, he could have left the box unticked. I fully accept that after so many years Mr P may not remember this happening, but I think it's likely that Lloyds told Mr P about PPI and gave him a choice to take it or have the credit card without it.

Mr P has told us that he can't remember if Lloyds gave him any advice about whether he should take the policy. However, Lloyds has said that it did recommend PPI to Mr P. This means that it would have had to make sure the policy was right for him and tell him about it fairly and clearly so he could decide whether or not he wanted it.

Mr P was self-employed when Lloyds sold him PPI and doesn't think he would have been able to claim on the policy because of this. I've looked into this carefully. The policy's terms didn't make it any harder for self-employed people to claim than for others and I think Mr P may well have been able to make a successful claim if he had needed to. I don't think it was unsuitable for him due to his self-employment.

I haven't seen anything to make me think that Mr P would have been affected by any of the policy's main exclusions and limitations. The policy had eligibility rules which Mr P met and he seems to have been able to afford it. From what he's told us about his circumstances, if he had been unable to work, he would have had few other means with which to make

payments to his card. So I think it was reasonable for Lloyds to recommend the policy to him.

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

my final decision

For the reasons I have set out above, I don't uphold Mr P'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 P to accept or reject my decision before 8 December 2018.

Steve Townsley
ombudsman