

## **complaint**

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

## **background**

Mr L bought the policy during a branch meeting in March 2001, at the same time as taking out a credit card.

Our adjudicator didn't uphold the complaint. Mr L 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 L's case.

I've decided not to uphold Mr L's complaint and I'll explain why.

Lloyds had to make Mr L aware he had an option about whether or not to buy the policy. Mr L has said that he did not agree to taking out the policy and was unaware of it. However, I think Lloyds made Mr L aware that he had a choice about buying the PPI, and that he chose to take it although I can understand why he might not remember this as the sale took place about 17 years ago. I have seen a copy of the consumer credit agreement that Mr L was given at the time he took the credit card out. In the section titled *optional features*, I can see that Mr L actively selected the PPI by ticking the box to confirm that he wanted to take the policy out and protect his payments. He could have chosen 'no' if he didn't want it. This application form has also been signed and dated by Mr L.

Lloyds has said that it recommended the PPI to Mr L. This meant that Lloyds has to take reasonable steps to find out about his needs and make sure the policy was suitable for him. Mr L's representative has questioned the suitability of the PPI for Mr L but it seems to have been right for him based on what I've seen of his circumstances at the time. I say this because:

- Mr L was eligible for the policy.
- The policy terms say the policy holder needed to be continuously employed for six months before an unemployment claim could be made. I can see from the credit card application form that Mr L had only been employed for four months in his job when he took the policy out. But I can see he's also told us that there had been no gaps between working in his previous job and the job he had when he took out this policy. So I don't think the amount of time that Mr L had been employed for would have stopped him from making a claim.
- And he wasn't affected by any other of the limitations in the policy such as those about existing medical conditions which could have made it difficult for some people to make a successful claim.

- Mr L first of all told us that he couldn't remember whether he would have received sick pay from his employer. But later he told us that he would have been entitled to sick pay. Mr L has also confirmed that he didn't have any other way of making his repayments, including savings. If necessary, the PPI would have covered his payments for up to 12 months of unemployment or accident or sickness. So it would have paid out in addition to any sick pay he might have got and likely for longer. So I think the PPI could have been useful if he lost his job or couldn't work because of illness or if he had an accident.

As well as making sure the policy was suitable, Lloyds also had to give Mr L clear enough information about the policy, so he could decide if he wanted to buy it. It's possible the information Lloyds gave Mr L about the PPI wasn't as clear as it should've been. But Mr L doesn't appear to have been affected by any of the main things the policy didn't cover – and based on what I know about his circumstances it looks like the 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 L's comments, including what he's said about always looking for a new job which would have meant he might not have worked for the right amount of time to be able to make a claim. But there's nothing to make me think he was thinking of moving jobs at the time or that he made Lloyds aware of this and so this doesn't change my conclusion.

### **my final decision**

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

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

Nicola Woolf  
**ombudsman**