

## **complaint**

Mr M complains that Lloyds Bank plc (trading as TSB) mis-sold payment protection insurance (PPI) to him.

## **background**

In 1997 Mr M arranged to take a credit card from Lloyds. We know that by 2000, when the account was closed, Mr M had been sold monthly premium PPI to protect repayments on the card. Mr M told us that he hadn't been aware that he had PPI. He said he would never have agreed to it as it would have made things more expensive and relatives would have helped him out.

Our adjudicator recommended that the complaint was not upheld. Mr M disagreed so the complaint has been passed to me for review and 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 considering Mr M's case.

Lloyds no longer has any of the paperwork from when Mr M took the credit card and the PPI. That isn't surprising when the sale took place about 20 years ago and the account closed over 15 years ago. That in itself isn't a reason to criticise Lloyds or uphold the complaint. In cases like this, where the evidence is incomplete or contradictory, I have to make my decision on the balance of probabilities – that is, to decide what is most likely to have happened.

Neither Mr M nor Lloyds is even sure when or how the PPI was sold. Lloyds does have a few computer records which show the account opened in 1997 and closed in 2000 and that he had PPI by the start of 2000. Although I can't be sure, I think it is most likely that the PPI was sold in 1997 when Mr M opened the account.

The best indication available of the document Mr M would have signed when he took the card is a sample which appears to date from the start of 1999. That contains a section about PPI and a box for card applicants to tick if they wished to apply for PPI. I know Mr M feels strongly that he would never have agreed to take PPI, and it must have been hidden from him. But from the sample and what we know about Lloyds' forms and processes at that time, it is likely that the PPI would only have been added if Mr M had agreed after being given a clear choice. While I can't be sure, on balance, I think it is likely that at the time Mr M was aware the PPI was optional but chose to take it.

Both parties agree that Lloyds recommended the PPI to Mr M. In that situation it needed, not only to give him appropriate information about it, but also check that it was suitable for him. I think that it was.

- Mr M was eligible for the policy and I can't see that it was unaffordable.
- He wasn't affected by any of the main limitations or exclusions, which could have made it difficult for some people to make a successful claim.

- I think the PPI could have been useful for him. Mr M was only entitled to statutory sick pay from work, and wouldn't yet have built up much entitlement to redundancy pay. I know he says relatives would have helped, but circumstances can change to mean that isn't possible. Whereas, if he was sick or unemployed, the PPI would have covered 10% of his repayments for up to 12 months if necessary. So I think the PPI could have been useful for him and provided reassurance that his repayments would be met even if he was sick or lost his job.

I can't be sure Mr M was given adequate information about the policy to enable him to decide whether to buy it. But the PPI was competitively priced and, even if he had been given more or better information, I think he would still have taken the policy in his circumstances.

So, on balance, I can't see that Mr M has lost out because of anything Lloyds might have done wrong.

### **my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 May 2018.

Hilary Bainbridge  
**ombudsman**