

complaint

Mr L, who is represented by a third party, has complained to us that Lloyds Bank PLC, trading as Lloyds TSB ("TSB") mis-sold him a payment protection insurance ("PPI") policy.

He says he wasn't told what the policy covered or given details of its terms and conditions.

background

From what I've seen Mr L bought the policy sometime around 1994, when he was taking out a credit card with TSB.

Our adjudicator didn't think the policy was mis-sold. Because Mr L disagrees, his complaint has been passed to me for 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 payment protection insurance on our website and I've taken this into account in deciding this case.

I've decided not to uphold this complaint. I'll explain why.

Mr L says he bought the policy at a meeting at a branch. TSB hasn't disagreed about this. Mr L and TSB also agree that TSB made a recommendation that he buy the policy. In a recommended sale, TSB had more responsibility. So it had to make sure the policy was suitable for Mr L's situation and that the information it gave him was clear and not misleading.

Unfortunately, most of the paperwork for the sale is no longer available. So in reaching my decision, I've looked at what Mr L and TSB have told us, along with what I already know about TSB's sale processes at the time. Obviously, I can't know what was said to Mr L during the sales meeting. I don't doubt Mr L has given us his best memory of what happened, but that's not enough on its own to make me think that he might have thought he had to buy the cover to get the card.

TSB has also given us a sample credit card application from around the time of the sale. On that, I can see that Mr L would have had a choice of ticking one of two boxes to show that he wanted to, or didn't want to, buy PPI cover.

So, from everything I've seen about this sale, I think Mr L ought to have been aware that he had a choice about whether to buy the policy and decided he wanted to.

I can see that Mr L was eligible for the PPI cover. Also, as far as I can see he wasn't disadvantaged by any of the main exclusions that normally appear in this type of policy.

If Mr L made a successful claim, the policy would cover his monthly credit card repayments for up to 12 months if he couldn't work due to accident or sickness.

I've seen that Mr L was self-employed but I haven't seen anything in the policy terms to make me think that this would put him at a disadvantage if he wanted to make a claim. Mr L

has also told us that he had some savings. Without the PPI, he'd need to rely on these if he wasn't working. The policy would also pay out in addition to his existing funds and would be available for up to 12 months. So I think it suited his personal situation.

TSB says that Mr L would have received a policy booklet at the time of the sale. I've no way of knowing if that happened. Even if it did, I can't know if Mr L read the document or if the key parts of the policy were drawn to his attention.

I've seen that the cost of the policy was 79p per £100 of outstanding credit card balance with 10% of the card balance being paid off each month during a claim. The full balance would have been paid off in the event of Mr L's death.

I don't know if the cost of the policy was made clear to Mr L at the time he bought the policy. But from what I've seen, Mr L hasn't suggested that he couldn't afford the monthly premiums.

Overall it's possible there may have been shortcomings in the way this policy was sold. But I think Mr L still would have decided to buy the policy if he'd been better advised and informed.

I've thought carefully about what Mr L and those representing him have told us in response to our adjudicator's finding but they don't affect my decision. I'm sorry to disappoint Mr L.

It follows that I won't be upholding Mr L's complaint.

my final decision

For the reasons I've given, I'm not upholding Mr L's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 6 January 2017.

Michael Goldberg
ombudsman