

## **complaint**

Mrs C complains that Lloyds Bank plc mis-sold her a payment protection insurance (“PPI”) policy. The complaint is brought on her behalf by a claims management company.

## **background**

This complaint is about a credit card PPI policy taken out in 1998. The policy was added to Mrs C’s credit card account when she applied for the card in one of the bank’s branches. Our adjudicator did not uphold the complaint. Mrs C disagreed with the adjudicator’s opinion. Her representative said, on her behalf and in summary that:

- Lloyds should have told Mrs C that she wouldn’t be able to claim for her existing medical condition. But there’s no evidence that it asked her about her health and Mrs C doesn’t recall being asked.
- Mrs C wouldn’t have gone ahead with the policy if she’d understood she wouldn’t be able to claim for her existing medical condition, or a problem related to it.

## **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 Mrs C’s complaint.

Lloyds doesn’t have a full record of the sale, which isn’t surprising given it took place so long ago. In cases like this, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I’ve decided not to uphold Mrs C’s complaint because:

- The credit card application form, which in all likelihood Mrs C would’ve completed, included a separate section headed, “*TSB Credit Card Payments Insurance*” and there was a clear tick box. So I think, on balance, Lloyds made Mrs C aware that the PPI was optional and that she chose to take it – although I can understand why she can’t remember this as it took place so long ago.
- It’s not clear whether advice was given so, to be fair to Mrs C, I’ve considered the case to the higher standard of an advised sale. It doesn’t look as if the PPI was unsuitable for her based on what I’ve seen of her circumstances at the time. She’s told us she would’ve received six month’s full pay if she couldn’t work due to sickness or an accident. But the PPI would’ve paid out for up to 12 months in the event of a successful claim and covered her if she’d become unemployed. So I conclude it could’ve been a useful benefit for her. I have taken into account what Mrs C has said about being able to rely on family to support her if she was unable to work or if she became unemployed. But this was not a guaranteed source of support, so does not change my conclusion.

- Mrs C says she was suffering with high blood pressure at the time which is likely to have been classed as a pre-existing medical condition under the policy definition. Although Mrs C says she was on medication for this condition, she also says that she was well and hadn't had any time off work for this condition. So, although any time off work relating to her blood pressure would have resulted in Mrs C being unable to claim under the policy for this absence, I'm not satisfied that this made the policy unsuitable. And, even if it did and she was not advised of this limitation, I don't think that this would have put her off taking out the policy. I say this because it doesn't appear from the information before me that she was likely to have any significant time off for this condition and was in generally good health. Further, she still would have had the full benefit of the unemployment cover provided by the policy and could have still claimed for any time off work sick for a reason unconnected with high blood pressure.

It's possible the information Lloyds gave Mrs C about the PPI wasn't as clear as it should have been. But Mrs C chose to take out the policy and so appears to have wanted this type of cover. The policy was competitively priced and apparently affordable. So I think it unlikely Mrs C would have made a different decision if better information had been provided. On balance I think she would still have taken out the policy.

### **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 Mrs C to accept or reject my decision before 12 October 2018.

Elizabeth Dawes  
**ombudsman**