

## **complaint**

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

## **background**

Mr T bought the PPI to go with a credit card. TSB hasn't been able to give us the exact date although Mr T thinks he bought the policy in January 2000. However evidence from TSB suggests he took out the policy and the PPI in June 1996.

Mr T says he didn't know he'd bought PPI and didn't need it.

Our adjudicator didn't think the policy had been mis-sold. Because Mr T disagrees, his complaint's 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 T says he thought he bought the policy at a meeting. TSB hasn't been able to tell us exactly how it sold Mr T the policy, but says it's treated the sale as one where it made a recommendation that he buy it. As a recommended sale, that means TSB had more responsibility, so that it had to make sure the policy was suitable for Mr T's situation and that the information it gave him was clear, fair and not misleading.

TSB hasn't been able to give us the credit card application form Mr T completed, but that's not unusual after so much time. But it's given us a sample form from that time. On the sample form I see there's a box in the section about PPI that Mr T could have ticked to show he wanted to buy it. And if he didn't want it, he didn't have to fill anything in. So from what I've seen about this sale, including what we know about the credit card application form TSB was using at the time, I think Mr T would've known he had a choice about whether to buy the policy.

Obviously, I can't know what was said to Mr T during the sale. And while I don't doubt Mr T has given us his best recollection of what happened, that alone isn't enough to make me think the policy was sold to him without his knowing about it. Based on what Mr T has told us, I think Mr T decided that it would be a good idea to buy PPI so he went ahead and accepted TSB's recommendation.

I can see that Mr T was eligible for the PPI. 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 T 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, or if he lost his job. Mr T told us that he was entitled to some benefits from his employer if he wasn't able to work, of

somewhere between 6 and 12 months' pay. But the PPI would most likely pay out for longer and certainly in addition to his existing benefits. So on balance I think the PPI was a worthwhile benefit for Mr T that suited his personal situation.

I've seen that the cost of the policy was 71p per £100 of outstanding credit card balance with 10% of the card balance being paid off each month. The full balance, up to £5,000, would have been paid off in the event of Mr T's death.

I can't be sure that the cost of the policy was made clear to Mr T at the time he bought it. He hasn't told us that the cost was too high for him, and I note that he kept paying the premiums for at least two years before cancelling it. So, thinking about it, I don't think Mr T would have made a different decision about buying the policy if the cost had been presented to him more clearly

I can see it's possible there may have been other shortcomings in the way this policy was sold but, having looked at the sale carefully, I think Mr T would still have decided to buy the policy even if he'd been better advised and informed.

It follows that I don't uphold Mr T's complaint.

#### **my final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 29 September 2018.

Michael Goldberg  
**ombudsman**