

## **complaint**

Mr F says Lloyds Bank PLC (trading as Lloyds TSB) mis-sold him payment protection insurance (PPI).

## **background**

Mr F applied for a credit card in person at a Lloyds branch in 2000 and bought a PPI policy at the same time.

He says at no time was PPI mentioned. He also says he was in full-time secure employment and that Lloyds didn't explain the cost and benefits of the PPI to him.

The adjudicator who looked at Mr F's complaint didn't think Lloyds had mis-sold it. Mr F disagrees and so his complaint has come to me to decide.

## **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 here.

Having done so, I've decided not to uphold Mr F's complaint. I'll explain why.

The credit card application form which Mr F signed has a section headed "Optional features". The first feature in that section is called "Asset Payment Protection" (PPI). There's a note saying one box must be ticked. And there are "yes" and "no" PPI options. Mr F's form has a tick inside the "yes" box. So I think it's likely he knew at the time he was buying PPI, and also knew he had a choice about it.

I've gone on to see if there are any other reasons why I should uphold Mr F's complaint but I don't think there are.

I think it's likely Lloyds recommended the PPI to Mr F, so it needed to make sure it was right for him. And, based on what I've seen of his circumstances at the time, I think it was.

Mr F says he'd have got some sick pay from his employer. But the policy would've paid 5% of Mr F's outstanding balance on the card at the date of claim for 11 months if he'd been off sick or lost his job. And if the claim had gone on for 12 months, it would have paid off the entire outstanding balance. The policy would potentially have paid out for significantly longer than Mr F's sick pay. So I think it could've given him a useful benefit at what could have been a difficult time.

Mr F says his family would've helped him if necessary. But circumstances can change, and people's families aren't always able to help when help is most needed, so I don't think this made the PPI unsuitable for him.

As well as making sure the PPI was right for Mr F, Lloyds also had to give him enough clear information for him to be able to make an informed choice about whether to buy it. It's possible the information Lloyds gave Mr F about the PPI wasn't as clear as it should've been. I don't think Mr F will have realised the PPI premiums would be added to his credit

card balance, so he could be charged interest on them, or that he'd need to keep paying the premiums during a claim, so reducing the net benefit he got.

But I think Mr F chose to take out the policy, and so wanted this type of cover. He wasn't affected by any of the policy's exclusions or limitations and it was competitively priced and apparently affordable. Overall, I think it unlikely he'd have made a different decision if Lloyds had given him clearer information. On balance I think he'd still have taken out the policy.

Finally, Mr F says we've upheld a complaint about a loan he took out, where his circumstances were the same as in this complaint. I can't comment on Mr F's other complaint. All I can say is that we must look at each complaint individually based on its own facts, including the financial product involved. And, in this complaint, my conclusion is that I don't think Mr F has lost out because of what Lloyds may have done wrong, so there's nothing it needs to do to put things right.

### **my final decision**

For the reasons I've given, I don't uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 May 2017.

Jane Gallacher  
**ombudsman**