

## **complaint**

Mr M complained that he's been mis-sold payment protection insurance by Barclays Bank Plc (Barclays) that was taken out alongside his credit card .

## **background**

Mr M said he was mis-sold PPI with his credit card. Barclays didn't agree the PPI Mr M bought was mis-sold, so Mr M brought his complaint to this service.

Barclays has provided a copy of a credit card application that Mr M signed and submitted to it in December 1998. On this form Mr M selected to take out the PPI policy.

When Mr M complained about the PPI Barclays looked at Mr M's circumstances at the time and said it didn't agree the PPI was mis-sold. Barclays did say Mr M may have paid some excess commission as part of his premiums for the PPI and this has been refunded to Mr M.

Our adjudicator said they didn't think the PPI had been mis-sold, so didn't recommend upholding Mr M's complaint. Mr M was still unhappy and asked for an ombudsman to look at his complaint.

## **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 Mr M's case.

Mr M has said he had PPI in place prior to 1998. He says he took out his credit card in 1980/81 and he thinks the PPI was taken out at the same time.

The record checks that Barclays has provided do not show any PPI and card account before 1998. The application form that I have seen was submitted by Mr M in in December 1998.

Mr M has talked about the migration of earlier credit card accounts into this account ending 1004. But there is a specific application form, completed and submitted by Mr M, signed and dated December 1998 for this particular credit card account. If Mr M had credit cards before this then they may have been for separate accounts, possibly with different businesses.

I have seen nothing to show Mr M had a PPI policy associated with a credit card account which was part of this account taken out with Barclays in 1998. Mr M has submitted documents about his circumstances in 1991 but these are not relevant to a policy taken out with the credit card in 1998 and the documents provided do not show that there was any credit card account or PPI in place at that time. They only show information about Mr M's circumstances in 1991.

In this complaint and decision I am only considering the credit card and PPI taken out in December 1998. If Mr M has any evidence about any other credit cards and PPI policies before this date, then he should raise separate complaints with the businesses about these other PPI policies.

I've decided the policy wasn't mis-sold because:

- I think Barclays made it clear that Mr M didn't have to take out the PPI and he chose to take it out - the application form that has been provided was completed by Mr M and shows there was a choice. And Mr M ticked the box to take out the PPI.
- Barclays didn't recommend the PPI to Mr M so it didn't have to check if it was right for him. But it did have to make sure Mr M got the information he needed to decide if it was right for him.
- Mr M hasn't said he had any pre-existing medical conditions so he shouldn't have been caught by any restrictions in the policy about this. Mr M has also said that he had no benefits in place with his job in 1998.
- It's possible the information Barclays gave Mr M about the PPI wasn't as clear as it should've been. But he chose to take it out - so it looks like he wanted this type of cover. Based on what I've seen of his circumstances at the time it doesn't look like he was affected by any of the exclusions to or limits on the PPI cover - so it would have been useful for him if something went wrong. It also looks like the PPI was affordable. So I don't think better information about the PPI would have put him off taking out the cover.
- Which means Barclays doesn't have to pay back all of the cost of the PPI to Mr M.

But Barclays has paid back *some* of the cost of the PPI to Mr M because:

- got a high level of commission and profit share (more than 50% of the PPI premium) - so it should have told Mr M about that. Because Barclays didn't tell Mr M, that was unfair.
- To put that right, Barclays has paid back the amount of commission and profit share that was above 50% of the PPI premium - and I think that is fair in this case.

I've thought about everything Mr M has said - including what he has said about his wife having an income but the PPI would've paid out allowing this to be used for other living expenses.

Also I have noted that Mr M says his circumstances were very different in the early 1980s when he believes he took out the credit card and PPI. But as I've already explained I've seen nothing to show this particular PPI policy was taken out earlier than 1998. The application form is dated December 1998 so that is the relevant time to look at Mr M's circumstances.

So these points don't change my decision.

### **my final decision**

The PPI policy wasn't mis-sold – so Barclays Bank Plc does not have to pay back all of the cost of the PPI to Mr M.

But Barclays Bank Plc does have to pay back to Mr M any commission and profit share it got that was more than 50% of the PPI premium. I understand it has already done this, so I don't award any further compensation.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr M to accept or reject my decision before 12 July 2019.

Christine Fraser  
**ombudsman**