

## **complaint**

Miss B says that Lloyds Bank plc (Lloyds) mis-sold her a regular monthly premium payment protection insurance (PPI) policy.

## **background**

In 1995 Lloyds (trading as TSB) sold Miss B the PPI for a credit card in a meeting.

The PPI included unemployment, accident and sickness cover and cost £0.71 per £100 of outstanding monthly balance. And for a successful claim it would've paid 10% of the outstanding monthly balance for up to 12 months.

Our adjudicator didn't uphold Miss B's complaint and she disagreed with this. So, the complaint comes 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 in deciding Miss B's complaint.

### *did Miss B have a proper choice about taking the PPI?*

Lloyds had to make clear the PPI was optional. Neither side's been able to give us any detail about what was said in the meeting about this. But I don't think that's unreasonable as the meeting was so long ago. So I've given more weight to what the documents from the time show.

Lloyds don't have a copy of the credit card application Miss B signed, but I don't think it'd be fair to criticise them for this given when the sale happened.

Lloyds have sent us a sample of the kind of application form they say was being used at the time. And from what we know about how Lloyds/TSB sold PPI at the time, I think it's likely Miss B would've completed a form like this.

Looking at the form, I can see it has a section headed "TSB Credit Cards Payment Insurance". This section had a box to tick to take PPI, which had next to it "Tick here if you would like to be covered by TSB Credit Card Payments Insurance".

So I think this would've made it clear to Miss B at the time that she had a proper choice about taking PPI. And as PPI was added to her account I think it's likely Miss B ticked the box and chose to take PPI.

### *was the PPI suitable for Miss B?*

Lloyds recommended the PPI to Miss B. So they had to take adequate steps to make sure it was suitable for her. I don't know what was actually discussed during the meeting. So I can't say if Lloyds did take adequate steps.

But I don't need to make a decision about this. Because - even if Lloyds didn't take adequate steps - I think the PPI was suitable for the following reasons.

I've set out the PPI's costs and main benefits above. And Miss B met the PPI's requirements so was eligible for it.

Miss B told us she had work benefits worth six months full and six months half pay. But - if Mrs M couldn't work - I've not seen anything to say it's likely she could pay the monthly card *and* her other living costs once her work benefits ran out.

Miss B did say she could've got help from her partner if she needed to. But her partner wasn't liable for the credit card, and peoples' circumstances change. So I can't say it's likely Miss B's partner would've been able to help out at the time.

There wasn't anything in the PPI's terms and conditions that would obviously stop Miss B making a successful claim.

For example, Miss B told us she was in full time employment and good health when the PPI was sold. So she wouldn't have been affected by things in the PPI about unusual employment or known health issues. And nothing Miss B told us suggests the PPI cost wasn't affordable.

So taking all of the above into account, I think the PPI was suitable for Miss B.

*did Lloyds give Miss B enough information to make a proper choice about taking the PPI?*

Lloyds had to give Miss B enough clear, fair and not misleading information to make a proper choice about taking the PPI. But I don't know what was actually explained to Miss B about the PPI. So I can't say it's likely Lloyds did give her enough information to make a proper choice.

But did Miss B lose out as a result - would she have taken the PPI if Lloyds had properly told her about it?

I've explained why I think the PPI was suitable. And I think Miss B would've thought the PPI's costs and benefits were competitive and that it gave peace of mind.

So I don't think Miss B lost out because I think she would've taken the PPI if Lloyds had properly told her about it.

### **my final decision**

For the reasons I've explained above I don't uphold Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 4 January 2016.

Julian Cridge  
**ombudsman**