

## **complaint**

Mr T says he was mis-sold a regular premium payment protection insurance (PPI) policy by Lloyds Bank PLC (Lloyds).

## **background**

Mr C applied for a credit card in 1997. At the same time he bought a regular premium PPI policy. The policy cost 71p per every £100 of the outstanding monthly balance on his credit card.

This policy covered Mr T if he was unable to work due to accident, sickness or unemployment and would've paid 10% of the outstanding balance for up to 12 months per claim.

Our adjudicator didn't think Mr T's complaint should be upheld because he didn't think there was enough information to show Lloyds had mis-sold the policy.

Mr T disagrees. He says he was lead to believe he had to take the policy to get the credit card.

So the complaint has come to me for a 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 PPI on our website and I've taken this into account in deciding this case.

I've decided not to uphold Mr T's complaint.

The sale took place over 15 years ago so unsurprisingly there is very little information available from the time of the sale. So I've had to proceed on the basis of what information I have and what I think is most *likely* to have happened.

Mr T says he was lead to believe he had to take the policy to get the credit card. But he hasn't given us much detail about why he thought this which is understandable considering the amount of time that has passed. And Lloyds say PPI has never been a compulsory feature to obtain a credit card. Lloyds haven't given us any of the documents from the time of the sale. So I don't know exactly what was discussed about PPI or how it was presented.

Lloyds say they recommended the policy to Mr T. So I think PPI would've at least been discussed to make a recommendation to buy it. And from what I know about Lloyds sales process at the time, I think it's likely that it would've made Mr T aware that PPI was optional and I think Mr T had PPI added to his account because he chose to take it. I've not seen enough to say that he wasn't given a choice or that he didn't agree to buy it.

I think this was an advised sale. What this means is that Lloyds not only had to provide information about PPI in a clear, fair and not misleading way so that Mr T could make an informed choice about buying PPI. It also had to make sure that if it were to recommend PPI that the policy was suitable to his needs and circumstances.

I don't know if Lloyds did take all the steps it should've. But I think the policy was a suitable recommendation for Mr T for the following reasons:

- He was eligible for the policy and it doesn't look like he would've been caught by any of the main exclusions in the terms and conditions of the policy which could've made it difficult to make a successful claim.
- At the time of the sale Mr T says he was entitled to some sick pay and had other means of making his credit card repayments. The policy would've paid out on top of this and any work benefits and covered him for up to 12 months if he was unable to work due to accident or sickness or lost his job. So I think the policy would've provided a useful benefit to Mr T in his circumstances.
- There was nothing to suggest that the policy wasn't affordable to him at the time and if he decided he no longer wanted the policy he could've cancelled it.

I also need to consider whether Lloyds gave Mr T information in a way which was clear, fair and not misleading so that he could make a proper choice about whether or not he wanted to take the policy out. I don't know if Lloyds did give all of the information as it should've.

But for the same reasons that the policy was suitable and based on what Mr T has told us about his circumstances at the time, I think he would've still taken out the PPI policy if he'd been given all the proper information on the policy.

This means Mr T isn't worse off as a result of any wrong doing by Lloyds.

### **my final decision**

For the reasons I've explained I do not uphold 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 11 April 2016.

Caroline Davies  
**ombudsman**