

complaint

This complaint is about a credit card payment protection insurance (PPI) policy taken out in 2003 online. Mrs S says Canada Square Operations Limited (trading as Egg) mis-sold her the PPI.

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 Mrs S's case.

I've decided the policy wasn't mis-sold and I'll explain why.

Egg had to make Mrs S aware that the PPI was optional and gain her consent before adding it to her card. Mrs S applied for her PPI policy through an online application at the same time as she applied for a credit card. Egg hasn't been able to show us Mrs S's completed online application, so I've considered what we know more widely about how it sold PPI online around this time.

I've seen screenshots that are likely to be similar to what Mrs S saw at the time of sale, and these show an option to accept or decline PPI. So, I think it's likely Egg gave Mrs S the option to either accept or decline the cover before continuing with her credit card application. Egg has also given us a copy of the data that was captured from Mrs S's application, I can see that the 'yes' box has been selected to confirm she wanted the PPI. So, I think Egg made it clear that the PPI was optional, and that Mrs S chose to take the policy.

Egg didn't recommend the PPI to Mrs S so it didn't have to check if it was right for her. But it did have to make sure Mrs S got the information she needed to decide if it was right for her. It's possible the information Egg gave Mrs S about the PPI wasn't as clear as it should've been. Mrs S has told us she was entitled to good sick pay when she took the policy and could have relied on family to help make her repayments. But the PPI would have paid out in addition to Mrs S's sick pay and for longer than she would have received full pay. And while Mrs S's family would have wanted to help, their ability to would have been dependent on their circumstances at the time, which could have changed.

Based on what I've seen of Mrs S's circumstances at the time it doesn't look like she was affected by any of the exclusions to or limits on the PPI cover - so it would have been useful for her 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 her off taking out the cover.

Which means Egg doesn't have to pay back the cost of the PPI to Mrs S

my final decision

I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 11 December 2020.

Terry Woodham
ombudsman