

## **complaint**

Mr H says Lloyds Bank PLC mis-sold him payment protection insurance (PPI).

## **background**

Mr H took out a TSB Trustcard in 1997 and, at some point between then and 2000, Lloyds also sold him a PPI policy to protect his credit card repayments. Lloyds has assumed it sold Mr H his PPI when he applied for the card; Mr H says it was in 2000. I've looked at his circumstances and Lloyds' policy terms across this range of dates,

Mr H says the Lloyds adviser he believes he met with didn't give him a choice about PPI. He said he had an existing health issue and gaps in his employment which made the policy unsuitable for him. And he says he didn't need it because he had good sick pay and was living with his parents, who would've helped him out if needed.

The adjudicator who looked at Mr H's complaint didn't think Lloyds had mis-sold it. Mr H 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 H's complaint. I'll explain why.

Lloyds has no record of how it sold PPI to Mr H. I don't think that's surprising since the sale was so long ago. Mr H, though, has said it was in a meeting.

So Lloyds has sent us a sample of the type of credit card application form it says it would've used at the time. It has a section on PPI with a box to tick if an applicant wants it. It's possible this isn't the application form Mr H saw. But, even if that's the case, I don't have enough to say fairly Lloyds didn't give Mr H a choice and get his consent to the PPI.

Mr H suggests he didn't know he had a choice about the PPI. But the sale was a long time ago and Mr H's recollections aren't detailed. They aren't enough, on their own and without anything else to back up what Mr H says, to make me think it's likely Lloyds added PPI without him knowing he had a choice and getting his agreement to it. On balance, I think it's *more* likely he ticked the box and so agreed to it knowing he didn't have to.

I've gone on to look at whether there are any other reasons why I should uphold Mr H's complaint. I don't think there are. Lloyds has treated the sale of Mr H's PPI as if it recommended it to him. This imposes a higher standard on it than if it was giving him information so he could make his own choice. It means Lloyds had to make sure the PPI was right for Mr H in his particular circumstances.

Looking at Mr H's circumstances and at Lloyds PPI policies sold between 1997 and 2000, I think it's likely the PPI was right for him.

Mr H says he had an existing health issue when he bought the PPI. He says he'd been diagnosed with it as a child but had never had long periods of time off work because of it. He

also says it made him more prone to other conditions but, again, says he only took days off work because of them.

The PPI wouldn't have paid out if Mr H tried to claim for any of these conditions. He says this means it wasn't right for him. But, to pay out on a sickness claim, it's likely the policy required Mr H to have been off work sick for at least 30 days. From what he says, he'd never had such a long period of time off work because of any of these health issues. So, although I doubt Lloyds gave Mr H proper advice about the exclusion for existing health issues, I don't think this made the policy unsuitable for him.

Mr H also says he had gaps in his employment of a couple of weeks or so at various times after he took the PPI out. And he says this meant he wouldn't have been able to claim unemployment cover and so made the policy unsuitable for him. But it's likely the policy Mr H bought wouldn't have stopped him from claiming in these circumstances, as long as he'd been unemployed for at least 30 days. So I don't think this made the PPI unsuitable for Mr H.

Finally, Mr H says he got very good sick pay, was living at home with minimal outgoings and had family who could've helped him if needed. But the PPI could've paid out on top of Mr H's sick pay, which he might have needed for other things. And while I'm sure Mr H's family would've helped him, this isn't the same as having an insurance policy to fall back on. So I think the PPI gave him useful cover he didn't otherwise have.

As well as making sure the PPI was right for him, Lloyds also had to give Mr H information about the policy that was clear, fair and not misleading. I think it's likely the information Lloyds gave Mr H about the PPI wasn't as clear as it should've been in some areas. But I think it's likely Mr H chose to take out the policy and it was right for him. So I think it's unlikely Mr H would have made a different decision if Lloyds had given him clearer information. On balance, I think he'd still have bought it.

I don't think Mr H has lost out because of what Lloyds is likely to 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 H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 July 2017.

Jane Gallacher  
**ombudsman**