

## **complaint**

Mrs M says Lloyds Bank PLC mis-sold her payment protection insurance (PPI).

## **background**

Mrs M took out a TSB Trustcard in 1998 and, at some point between then and 2000, Lloyds also sold her a PPI policy to protect her credit card repayments. Lloyds has assumed it sold Mrs M her PPI when she applied for the card; Mrs M says it was in 2000. I've looked at her circumstances and Lloyds' policy terms across this range of dates.

Mrs M says she would never have taken PPI out knowingly.

The adjudicator who looked at Mrs M's complaint didn't think Lloyds had mis-sold it. Mrs M disagrees and so her 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 Mrs M's complaint. I'll explain why.

Lloyds has no record of how it sold PPI to Mrs M and Mrs M can't remember. I don't think that's surprising since the sale was so long ago.

Lloyds has, though, 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 Mrs M saw. But, even if that's the case, I don't have enough to say fairly Lloyds didn't give Mrs M a choice and get her consent to the PPI.

I've taken into account that Mrs M says she wouldn't have knowingly taken it out. But the sale was a long time ago and Mrs M's recollections aren't detailed. They aren't enough, on their own and without anything else to back them up, to make me think it's likely Lloyds added PPI without Mrs M knowing she had a choice and getting her agreement to it. On balance, I think it's *more* likely she ticked the box and so agreed to it knowing she didn't have to.

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

Looking at Mrs M's circumstances and at Lloyds PPI policies sold between 1998 and 2000, I think it's likely the PPI was right for her. I say this because:

- I think it's likely Mrs M was eligible for the PPI. And I don't think she's likely to have been caught by any of the things it didn't cover – like known health issues or unusual employment arrangements. So I don't think there'd have been anything to stop her claiming the full benefit of the policy if she'd needed to.

- Mrs M says she only got statutory sick pay through her work, and she hasn't told us she had any savings or other insurance policies she could've used to make her card repayments if she couldn't work for an extended period. The PPI would've helped with her card repayments for up to 12 months, so I think it gave her useful protection she didn't otherwise have. And I've seen nothing to suggest she couldn't afford it or that its cost made it unsuitable for her.

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

I don't think Mrs M 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 Mrs M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 14 August 2017.

Jane Gallacher  
**ombudsman**