

complaint

Mr R, who is represented by a third party, has complained to us that Lloyds Bank PLC, trading as TSB ("TSB") mis-sold him a payment protection insurance ("PPI") policy.

He says he wasn't told about the policy and it wasn't suitable.

background

Mr R bought the policy when he took out a credit card with TSB in around 2000.

Our adjudicator didn't think the policy had been mis-sold. Because Mr R disagrees, his complaint's been passed to me for a final 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 payment protection insurance on our website and I've taken this into account in deciding this case.

I've decided not to uphold this complaint. I'll explain why.

Mr R says he bought the PPI at a meeting. He also says that TSB didn't make a recommendation that he should buy the policy. TSB hasn't been able to tell us for sure how the sale happened. But it *has* said that it recommended that Mr R buy the policy. As a recommended sale, that means TSB had more responsibility, so it had to make sure the policy was suitable for Mr R's situation and that the information it gave him was clear, fair and not misleading.

Unfortunately, the paperwork for the sale's no longer available. Also, TSB has had difficulty in pin-pointing the exact date that Mr R bought the policy. We also haven't been able to obtain any call recordings, but that's not unusual given that the policy was sold so long ago.

It follows that, in reaching my decision, I'll need to think about what Mr R and TSB have told us, along with what I already know about TSB's sale processes at the time. Obviously, I can't know what was said to Mr R during the sale. And while I don't doubt Mr R has given us his best recollection of what happened, that on its own isn't enough to make me think the policy was sold to him without his knowing about it. So, from what I've seen about this sale, I think Mr R ought to have known he had a choice about whether to buy the policy and decided he wanted to take it.

I can see that Mr R was eligible for the policy. And as far as I can see he wasn't disadvantaged by any of the main exclusions that normally appear in this type of policy. I know Mr R was concerned that the policy might not be useful to him because he was self-employed. But I've looked at the policy terms and can't see anything that makes me think he'd have difficulty in making a successful claim if he wasn't able to work in his business.

If Mr R made a successful claim, the policy would cover his monthly credit card repayments for up to 12 months. And it would pay out in addition to and most likely longer than other sources of funding he might have had. So I think the policy suited his personal situation.

I've seen that the cost of the policy was 71p per £100 of outstanding credit card balance with 10% of the card balance being paid off each month. The full balance, up to £5,000, would have been paid off in the event of Mr R's death.

I can't be sure that the cost of the policy was made clear to Mr R at the time he bought the policy. But he hasn't said that the cost was too high for him.

I can also see it's possible there may have been other shortcomings in the way the policy was sold. But, having looked at the sale carefully, I think Mr R still would have decided to buy the policy if he'd been better advised and informed.

It follows that I won't be upholding Mr R's complaint. I'm sorry to disappoint him.

my final decision

For the reasons I've given, I'm not upholding Mr R's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 19 December 2016.

Michael Goldberg
ombudsman