

complaint

Mrs J complains that Lloyds Bank PLC, trading as TSB, mis-sold her two payment protection insurance ("PPI") policies.

background

In 1996 Mrs J took out a Mastercard and Visa credit card through TSB. She also took out two PPI policies, one for each card. Neither Lloyds nor Mrs J can remember what sales process was used for taking out the cards. Mrs J's accounts were closed in 2005.

Our adjudicator didn't uphold Mrs J's complaint. She disagreed, so her complaint has been passed to me to consider. Mrs J's representative said:

- the cards were linked to one account, so she shouldn't have been advised to take out two PPI policies;
- if there's not enough evidence to safely conclude that she didn't opt for PPI, how is there enough evidence to show that she did opt to take PPI;
- because it can't be shown that Mrs J did opt to take PPI, how can we conclude the policy was sold correctly?

my findings

I've considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

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 J's case.

I've decided not to uphold Mrs J's complaint for the reasons set out.

was the optional nature of the policy made clear, and if so did Mrs J decide to take out PPI?

Mrs J took out the credit cards and PPI around 20 years ago. Banks often only hold on to records for six years, so, it's not surprising that Lloyds no longer has a copy of Mrs J's paperwork from the time of the sale.

In deciding this complaint, as well as taking into account what Mrs J remembers from the time, I've also looked at what we've learnt about TSB's sales practices. I've also looked at the sample application form Lloyds says was in use at the time. This shows that one application would've been completed to apply for both cards and PPI. The consumer would've had to tick a box if they wanted PPI, which TSB "*strongly recommended*".

I haven't heard anything that makes me think TSB wasn't following its usual process at the time of this sale. So, I think it likely that paperwork like this would've been when Mrs J took out the cards and the PPI.

Overall, taking into account the limited information I have, I can't fairly say that, more likely than not, the optional nature of the policy wouldn't have been made clear to Mrs J. I think the

paperwork did make it clear enough that PPI was optional. I think it likely therefore, that Mrs J indicated on the application she did want to take out PPI before it was added.

was PPI suitable for Mrs J?

Lloyds says it advised Mrs J to take out the PPI. So it had to consider whether it was suitable for her. It also had to give her information about the PPI that was clear, fair and not misleading to allow her to make an informed choice about whether to take it out.

I haven't seen anything that makes me think the PPI was unsuitable given her circumstances at the time. I say this because:

- she was eligible for the policies and I can't see that they were unaffordable.
- she wasn't affected by any of the main limitations or exclusions, which would've made it more difficult for her to make a claim.
- her credit card accounts were separate, so if she wanted her repayments covered on both accounts she would've need to take out two policies;
- she was working, but would've only got statutory sick pay if off work ill. She said her husband and family would've helped out with the repayments. But, I still think the PPI could've provided her with a useful benefit and reassurance that her repayments would be met.

was Mrs J given information that was clear, fair and not misleading to decide whether the policy was right for her?

I don't know exactly what information Mrs J was given when the policy was sold. So, I've looked at whether, if she'd been given more or better information, likely she would've made a different choice and not taken out the policy. I still think she would've taken out the policy. I say this because:

- I think the policy was suitable for her needs and it provided useful protection.
- she wasn't affected by any of the main limitations or exclusions, so she hasn't lost out, even if the information about these things could've been clearer upfront.
- the cost of the policy was competitively priced and appeared affordable. I think Mrs J likely would've thought it was worth the money to get the cover.

So, I can't see that Mrs J has lost out because of anything Lloyds may have done wrong.

my final decision

For the reasons set out above, I don't uphold Mrs J's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs J to accept or reject my decision before 25 August 2016.

Kim Parsons

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