



Mis-selling of Payment Protection Insurance (PPI)

Claims for compensation open until 29 August 2019

What is PPI?

PPI is an insurance policy sold alongside a loan, credit card, store card, catalogue card, car finance and/or mortgages to protect against loss of income, illness or some other occurrence that might prevent you from making repayments.

PPI may also be called loan protection, credit insurance, loan repayment insurance, ASU (accident, sickness and unemployment) insurance, account cover, payment cover and other names.

Many such products have been mis-sold to consumers since 2005.

The Financial Conduct Authority (FCA) is inviting consumers who may have been mis-sold a PPI or equivalent product since 2005 to lodge a claim for compensation before 29 August 2019.

Am I entitled to make a claim?

Yes, if you believe you have been mis-sold the product, you may be entitled to make a claim. For example:

- If you are self-employed (self-employed individuals are unable to claim on PPI);
- If you were informed that PPI was compulsory with the loan or credit card; or
- If the PPI was added automatically without your authorisation.

Banks are required by law to compensate consumers who were mis-sold PPI from 2005 onwards.





What should I do?

1. Check the paperwork for previous loans and credit cards to find out if you took out a PPI policy. If you do not have the paperwork, contact your bank/provider for a copy. There may be a charge to obtain bank or credit card statements.
2. You can check your credit file if you cannot remember who your lender was. You should be able to obtain copies free of charge. There are three main credit reference agencies: Callcredit, Equifax and Experian - see useful contacts overleaf.
3. Check the details of the PPI policy. Ask yourself:
 - Were you informed you had to buy PPI in order to obtain credit?
 - Were you informed PPI was an optional extra?
 - Were you informed about any significant exclusions under the PPI policy? For example, some exclusions may have been age, pre-existing medical conditions, country of residence, or consumers on maternity leave at the time the policy was taken out. In some instances, for example, self-employed, casual or temporary workers were not eligible for PPI.
 - Did you really need it in the first place? For example, you may already have had adequate cover through other insurance policies, or your employer may provide a healthcare scheme or sickness entitlements.

How do I claim?

If you feel you have been mis-sold PPI, make a claim directly to your bank/provider. The FCA has a useful PPI consumer questionnaire on its website: www.fca.org.uk/ppi. This will help you gather all the information you need in order to lodge a claim.

Which? consumer organisation has a free tool and template letter available on their website:

www.which.co.uk/consumer-rights/advice/how-to-reclaim-mis-sold-ppi

How long will it take?

If you do not hear from your bank/provider within eight weeks, or you do not receive a satisfactory outcome, contact the Financial Ombudsman Service (FOS) - see useful contacts overleaf.





Other reasons to lodge a claim

If you were informed or understood your provider would have earned a high level of commission at the time of taking out PPI and it was not clear how much of your PPI payments was used to cover this, you should think about lodging a claim.

Even if the PPI was not mis-sold, under new rules regarding undisclosed high commission rates introduced on 29 August 2017, you may be entitled to compensation.

If you lodged a claim about PPI, on or after 2015, your provider should have told you in writing whether it considered undisclosed high commission as part of your complaint. If it did not, you should resubmit your claim.

These new rules relating to undisclosed high commission apply only to PPI policies that covered repayments on credit agreements where money was owed, or potentially owed, on or after 6 April 2008. For more information you can contact the FCA on the new freephone helpline 0800 101 8800.

Should I use a Claims Management Company? (CMC)

A CMC may contact you to help you make a PPI complaint but it will normally take a percentage of any money you receive. Make sure you understand what it will cost you, and consider the alternative free options available from the FCA and Which? to make the claim yourself.

Beware of PPI Scams

If you choose to use a CMC rather than claiming for compensation yourself, note that no genuine CMC will ask for an upfront payment in order for you to receive your compensation. Any person/company asking for payment before processing a claim is a scam. Under no circumstances should you provide personal/banking information. For more information on scams, download our leaflet www.consumercouncil.org.uk/publications or telephone 0800 121 6022 for a hardcopy.

You can report this type of scam to Action Fraud on 0300 123 2040.





The Consumer Council



Reduce unwanted mail and nuisance calls

If you are receiving unwanted mail or calls from PPI claims companies, you can contact:

Mailing Preference Service (free)

Tel: 020 7291 3310

Web: www.mpsonline.org.uk

Telephone Preference Service (free)

Tel: 0345 070 0707

Web: www.tpsonline.org.uk

Useful contacts

The Consumer Council for Northern Ireland

Floor 3, Seatem House

28-32 Alfred Street

Belfast, BT2 8EN

Complaints line: 0800 121 6022

Tele/Textphone: 028 9025 1600

Fax: 028 9065 7701

Email: info@consumercouncil.org.uk

Web: www.consumercouncil.org.uk

Financial Conduct Authority (FCA)

25 The North Colonnade

London, E14 5HS

Helpline: 0800 101 8800

or textphone 08001 01434 372 580

Web: www.fca.org.uk

Financial Ombudsman Service (FOS)

The Financial Ombudsman Service

Exchange Tower

London, E14 9SR

Helpline: 0800 023 4 567/0300123 9 123

Email: complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk





The Consumer Council



Callcredit
One Park Lane
Leeds
West Yorkshire, LS3 1EP
Tel: 0330 024 7574
Web: www.callcredit.co.uk

Equifax Ltd
Customer Service Centre
PO Box 10036
Leicester, LE3 4FS
Tel: 0845 603 3000.
Web: www.equifax.co.uk

Experian
The Sir John Peace Building
Experian Way
NG2 Business Park
Nottingham, NG80 1ZZ
United Kingdom
Tel: 0344 481 0800
Web: www.experian.co.uk

