

## Your Legal Questions



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**Q** Have you been mis-sold a Payment Protection Policy and can you claim compensation?

**A** A vast number of people unwittingly purchased Payment Protection Insurance (PPI) policies when taking out loans. They were either unaware they were sold the policy, or did not need it. In some cases they could not even make a claim.

Thousands of people have successfully received compensation because they were mis-sold Payment Protection Insurance (PPI) policies. PPI were supposed to repay people's loans if their income dropped because they fell ill or lost their job.

Customers may claim the PPI premiums, plus interest if the bank, Financial Ombudsman Services (FOS) or the court determines that they would not have purchased the policy in the first place if they had been fully aware of the policy details.

How can you make a claim?

1. First look at your loan and check if there is any evidence you purchased a PPI policy.
  - a) Did you realise at the time you were taking out the loan you had also bought the insurance?
  - b) Were you told falsely that you had to take out this policy?
  - c) Are you actually covered?
  - d) Did you need it?
  - e) You may make a claim for a refund and compensation six years from the date you became aware of this mistake.
  - f) If you do not hold all the paperwork you may request all the loan documents from your bank or loan provider under the Data Protection Act.
2. If you believe you were mis-sold PPI you should initially complain to the bank or loan provider that sold it to you.
3. If you do not receive a response within 8 weeks or you are not happy with the response then you should lodge a complaint with the FOS.