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8-22-2020

### Payment protection insurance explained

Financial Conduct Authority (FCA)

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#### Recommended Citation

Financial Conduct Authority (FCA), "Payment protection insurance explained" (2020). *YPFS Documents (Series 1)*. 9874.

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## Payment protection insurance explained

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Payment protection insurance (PPI) was usually sold with products that you need to make repayments on, like a loan, credit card or mortgage.

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### What is PPI?

PPI was designed to cover repayments in certain circumstances where you couldn't make them yourself. These include if you were made redundant or couldn't work due to an accident, illness, disability or death.

As many as 64 million PPI policies have been sold in the UK, mostly between 1990 and 2010, some as far back as the 1970s.

But we found that PPI was often mis-sold. More than £33bn has already been paid back to people who complained about the sale of PPI.

### PPI complaints deadline

We set a deadline of 29 August 2019 for PPI complaints and delivered a [nationwide communications campaign \[1\]](#) to raise awareness of this deadline among consumers.

Generally, if you didn't make a complaint to your provider on or before 29 August 2019, you can no longer claim money back for PPI by complaining to providers or the Financial Ombudsman Service.

### Exceptional circumstances

You may be able to complain to your bank or other provider, or to the Financial Ombudsman Service, after the deadline if you experienced 'exceptional circumstances' that meant you couldn't complain in time.

Your provider may ask you to explain the circumstances that caused you to complain after the deadline and why you think they were exceptional. You may also need to supply evidence. Your provider will assess this information and make a decision, using relevant decisions from the Financial Ombudsman Service.

Please note that the Financial Ombudsman Service usually decides that [exceptional circumstances \[2\]](#) only apply in a limited set of circumstances.

### After you complain about PPI

If you complained to a provider about PPI on or before 29 August 2019, your provider should firstly acknowledge that they have received your complaint.

Visit [After you complain about PPI \[3\]](#) for more information on what happens next, how long you should wait for a response from your provider, and what to do if you aren't happy with your final response.

## About the FCA and PPI

The Financial Conduct Authority (FCA) regulates the financial services industry in the UK, including banks and other providers.

We set most of the rules that financial businesses in the UK have to follow, including how they promote and sell financial products, and how they deal with complaints.

Our role includes:

- protecting consumers
- protecting and enhancing the financial system
- promoting competition

## PPI: our role

We found that PPI was often mis-sold.

We also introduced rules that mean customers can complain that a bank or other provider earned a high level of commission, but didn't tell the customer when they bought it.

We provide information about PPI and can help you understand it, but we cannot give you advice about your individual circumstances or complaint.

## Products sold with PPI

PPI was often sold with credit or loan products, such as:

- loan – this includes personal loans, business loans and student loans
- credit card
- store card – this is usually from a high street store
- catalogue credit
- mortgage including second charge mortgages e.g for a conservatory
- loan secured on your home in addition to your mortgage
- overdraft
- car finance or something else bought on credit, such as a sofa – this may have been called a 'finance agreement' or 'hire purchase'
- home shopping account – this includes a catalogue account
- home improvement loan - such as for a kitchen, bedroom or sofa

First published: 22/08/2020 | Last updated: 22/08/2020

**Source URL:** <https://www.fca.org.uk/ppi/ppi-explained>

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### Links

- [1] [https://www.fca.org.uk/media-library?f%5B0%5D=field\\_category%3A781](https://www.fca.org.uk/media-library?f%5B0%5D=field_category%3A781)
- [2] <https://www.financial-ombudsman.org.uk/consumers/expect/time-limits>
- [3] <https://www.fca.org.uk/ppi/after-you-complain>
- [4] <https://www.fca.org.uk/ppi/after-complain>
- [5] <https://www.fca.org.uk/ppi/contact-us>

- [6] <https://www.fca.org.uk/ppi/help-and-support>
- [7] <https://www.fca.org.uk/ppi/claims-companies>
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