

## **The complaint**

Mr T complains that he wasn't provided with any information when he entered into an agreement with Creation Consumer Finance Ltd.

## **What happened**

In March 2020 Mr T purchased a laptop from a merchant and entered into a credit agreement with Creation. Mr T chose the Buy Now Pay Later (BNPL) option, which meant that if he paid for the laptop in full by 20 September 2020, he wouldn't have to pay any interest.

Mr T has said that he tried several times to contact the merchant to find out how to make payments because he hadn't been provided with any paperwork. In October 2020 Mr T noticed an unexpected direct debit on his account, so he contacted the merchant again and his complaint was directed to Creation.

In response, Creation said that online statements had been made available to Mr T to remind him of the BNPL period. It said that because it hadn't received payment in full by the required date, interest became applicable and a direct debit was initiated to collect monthly repayments from Mr T's bank account.

Mr T was unhappy with the response and complained to this service.

Our investigator upheld the complaint. She said she wasn't satisfied that the emails sent by Creation had been successfully sent, because the email address held by Creation was wrong. The investigator said that Creation had failed to follow its own procedure for undelivered emails. She said she thought that Mr T would've paid in full if he'd been contacted before the end of the BNPL period and said Creation should refund the interest applied to the account and allow Mr T to pay the remaining balance in full.

Creation didn't agree. It said that Mr T had provided his email address during the application process and that he should've noticed if it was incorrect. Creation also said that because its statement reminder emails were automatically generated, it wouldn't have received a notification if the email was undelivered.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've looked at the records held by Creation. I can see that when Mr T applied for the credit agreement his email address was recorded and it was noted that his preferred method of contact was email.

I can also see that Creation sent two emails to Mr T before the BNPL period ended. The emails contained a link to Mr T's online account which (if activated) would have allowed him to view his statement.

Mr T has said that the email address used by Creation was incorrect. He believes that the salesperson wrote it down incorrectly. Mr T said that he never received any emails from Creation.

This service asked Creation whether it had received notification that the emails sent to Mr T were undelivered and what its procedure was in those circumstances.

Creation said that if an email was returned undelivered, its procedure was to send a letter or make a telephone call.

This service sent an email to the email address used by Creation for Mr T and it was returned as undelivered.

Although Creation has said that it couldn't see from its records that any of the emails sent to Mr T had been returned as undelivered, I think it's likely that all of the emails were returned as undelivered. I can't see that Creation tried to write to Mr T or contact him by telephone, in line with its own procedure.

I've taken account of what Creation has said about Mr T being responsible for checking that the information on his application was correct. I can't be certain of whether the salesperson owed the screen to Mr T throughout the application. If Mr T had seen that his email address had been recorded incorrectly, I think he would've brought this to the attention of the salesperson at the time.

Based on what I've seen, I'm not satisfied that the emails from Creation were successfully sent to Mr T. I think it's likely that Mr T would've paid in full before the end of the BNPL period if he had received the emails and accessed his statements. I've seen evidence that Mr T had sufficient funds to pay in full as at September 2020.

### **Putting things right**

To put things right, Creation should remove all interest from Mr T's account and allow him to pay the outstanding balance in full.

### **My final decision**

My final decision is that I uphold the complaint. Creation Consumer Finance Ltd must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 9 October 2022.

Emma Davy  
**Ombudsman**