

The complaint

Mr P complains about a lack of transparency by Capital One (Europe) plc (Capital One) over fees that it charges for cash like transactions.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead, I will focus on giving the reasons for my decision.

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.

Having done so I have reached the following conclusions:-

- As I understand it this issue arose when Mr P made a charity donation of £10 which incurred a £3.33 fee as the transaction was deemed to be a 'cash like' transaction. Mr P says he doesn't have a problem with Capital One charging fees, and in this case it refunded the fee. But he wants some clarity over what transactions will incur fees.
- I appreciate Mr P would like absolute clarity over which transactions are deemed to be 'cash like' ones that incur fees. He has made the point that Capital One should make this information clear for all consumers. And has also referred to the charities he would like to make payments to not being able to help him referring him back to Capital One. I need to make it clear that, in this complaint, I can only cover Capital One's actions in relation Mr P and consider if it has acted unfairly.
- I think Capital One has acted reasonably. It provided Mr P with a list of the types of transaction that would be considered as 'cash like' for example cash withdrawals at an ATM, electronic money transfers, foreign currency(travellers cheques/money orders), payments to open deposit accounts and cash withdrawals at a currency exchange. Its terms and conditions, which I have seen, also list gambling and purchasing digital currencies. I appreciate charity donations are not on this list, but I think it would be unreasonable to expect every possible cash like transaction to be listed
- Capital One has, however, specifically addressed charity donations in its additional final response letter. It explained charity donations could be a 'cash like' transaction and incur a fee depending if merchants process payments as cash or purchase transactions and Capital One has no control over this. As such I think it was reasonable for Capital One to refer Mr P to the charities he wanted to make payments too for more information.
- Finally, I have also seen that in a record of its messages Capital One explained that fees may be charged for a payment that isn't for goods or services which explains why Mr P incurred the transaction fee for the charity donation as he wasn't paying for specific items or to receive an actual service. I think that indicates that a cash

donation that isn't to purchase anything is going to incur a fee unless the receiving party chooses to process the payment differently – that is a matter for the receiving party not for Capital One.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 19 April 2024.

Bridget Makins
Ombudsman