

## **The complaint**

Mrs W complains she was misled about how interest is applied to purchases made with her MBNA Limited credit card.

## **What happened**

Mrs W applied for a credit card with MBNA via a third party comparison website. Mrs W has explained that she thought she was applying for a credit card that had a promotional offer that meant purchases made within the first 21 months would be charged at 0% interest. Mrs W made a full application to MBNA and her credit card was approved. MBNA says that during the application process, Mrs W was given information about how the credit card operated and the relevant terms and conditions.

Once the credit card was activated it came to light that MBNA would only apply the 0% interest rate to purchases made within the first 60 days from opening. Mrs W went on to raise a complaint and explained she felt misled. Mrs W said she thought all purchases made within the first 21 months of the credit card would receive the 0% interest rate.

MBNA issued a final response on 12 July 2024 but didn't uphold Mrs W's complaint. MBNA confirmed purchases made within the first 60 days would receive the 0% interest rate for 21 months. And MBNA said the way the interest rates work was set out in the credit card agreement Mrs W accepted when she opened the credit card. MBNA also said it was unable to remove the credit search from Mrs W's credit file. MBNA agreed to refund a balance transfer fee of £13.96 Mrs W had incurred in recognition of the frustration caused.

An investigator at this service looked at Mrs W's complaint. They weren't persuaded that MBNA had made a misled Mrs W or made a mistake in terms of the interest rates applied to her credit card. The investigator didn't uphold Mrs W's complaint.

Mrs W asked to appeal and said she'd subsequently called MBNA and been told that by making a purchase using her credit card in the first 60 days, she would be able to receive 21 months of 0% interest on spending. Mrs W also said MBNA had failed to clearly explain how the promotional interest rate worked. As Mrs W asked to appeal, her complaint has been passed to me to make a 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.

I understand Mrs W feels misled in terms of the way interest would be applied to her MBNA credit card. Mrs W's told us she first found information about the credit card on a third party comparison website that made it appear as if purchases made within the 21 month 0% interest period would be charged at that rate. But I think it's fair to say that when Mrs W made her full application to MBNA it issued various pieces of information to her, including a credit card agreement.

The credit agreement includes a section concerning interest rates. It says that for purchases made in the first 60 days, 0% fixed interest for the first 21 months from the opening date will apply. Balance transfers and money transfers completed within the first 60 days also received 0% fixed interest for the first 21 months. The information setting out how interest rates work is shown on page two of the credit agreement. And I'm satisfied the credit agreement clearly explains how the different promotional interest rates work and that the 0% interest rate would only be applicable for purchases made within the first 60 days.

Mrs W's told us that the information she found on the comparison website didn't include any information that said 0% interest rate only applied to purchases made within the first 60 days. MBNA's provided the information it gives to the comparison site about how the credit card works. That confirms the 21 month 0% interest rate applies to purchase made within the first 60 days of activation.

I'm sorry to disappoint Mrs W but I haven't been persuaded that MBNA misled her concerning the way its credit card operates or how interest is applied. I'm satisfied that MBNA provided the details of how the promotional interest rate works and the 60 day period for purchases in the credit agreement Mrs W accepted. As I haven't been persuaded MBNA misled Mrs W and I'm satisfied it dealt with her complaint fairly I'm not telling it to do anything else.

### **My final decision**

My decision is that I don't uphold Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 13 November 2024.

Marco Manente  
**Ombudsman**