

## **The complaint**

Mrs G is unhappy that Capital One (Europe) Plc defaulted an account she had with them.

## **What happened**

Mrs G had a credit card account with Capital One which she opened in 2001. In 2024 she was suffering financial difficulties, and Capital One granted her 30-days breathing space on 2 May 2024, allowing her time to review her finances and consider her options. Capital One offered a further 30-days breathing space on 1 June 2024, but they wrote to her the same day to explain they'd suspended her card. In this letter they also told her that she would need to either clear the arrears or set up a repayment plan by 29 June 2024, or she may permanently lose use of the card.

Mrs G called Capital One on 5 July 2024, explaining she was still suffering financial difficulties, and asking what her options were. Capital One explained that Mrs G's account hadn't yet been restricted, and asked Mrs G to pay a minimum payment of £73.63 (which she subsequently did). They also tried to set up a payment plan, but Mrs G wanted to take advice about this first. Capital One agreed further breathing space until September 2024 but advised Mrs G that if an arrangement wasn't put in place, her account would be defaulted. Mrs G agreed to contact Capital One before the end of August 2024.

During this call Mrs G also explained that, although she'd moved address, she wanted all correspondence sent to the address Capital One had on file for her as she had mail redirection in place.

Capital One followed up this call with a letter explaining the breathing space, that missed payments would still be reported, and that there was a risk of her account being defaulted. In a separate letter, Capital One told Mrs G that she'd now lost the use of her card, and again said the account may default in the next two months.

Mrs G didn't contact Capital One as agreed and, on 2 September 2024, they sent her a default notice, asking her to clear the £495.71 arrears by 30 September 2024. She didn't do this, and the account defaulted on 4 October 2024.

Unhappy with what had happened, Mrs G complained to Capital One, and then escalated the matter to the Financial Ombudsman Service for investigation.

Our investigator considered all the evidence provided, including listening to the call of 5 July 2024. Based on this they thought that Capital One had acted reasonably by defaulting the account, and they didn't need to take any further action.

Mrs G disagreed with the investigator's opinion. She said that she was told the £73.63 payment she paid in July 2024 would extend the breathing space to the end of August 2024. And she said she contacted them on a number of occasions between 5 July and 4 October 2024, being told that she didn't need to set up any payment plan. Mrs G also said that she didn't receive any letters from Capital One before October, and that they failed to send her a form to complete to set up a payment plan when she requested this (twice) in October 2024.

Finally, Mrs G said that, having had an account with Capital One for over 25 years, *“I really would not have knowingly allowed it to default despite my financial difficulties at the time.”*

Mrs G provided the numbers she would have used to contact Capital One, and they checked their system for any calls; providing evidence that they didn't receive any calls from Mrs G between 5 July and 4 October 2024. Mrs G also couldn't provide any evidence of any calls she made to Capital One during this period. Because of this, Mrs G's comments didn't change the investigator's opinion, and the matter has been passed to me to decide.

### **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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

I can see that Capital One first sent Mrs G a Notice of Sums in Arrears ('NOSIA') on 6 April 2024, which was followed up by two 30-day breathing space period letters. On 1 June 2024, Capital One wrote to Mrs G to let her know her card had been suspended, and that she needed to set up a payment plan by 29 June 2024. They also told her that, if she paid £73.63 by 29 June 2024, she could delay matters by a month. A further NOSIA was sent on 6 June 2024.

All of these letters were sent to the address Capital One had on file for Mrs G, which I've noted is also the address she gave us as her correspondence address on the complaint form she signed on 14 January 2025.

Mrs G spoke to Capital One on 5 July 2024 and I've listened to this call. Not only did Capital One discuss her account and a potential payment plan (which Mrs G didn't set up on the call), Mrs G twice told them to send letters to the address they have on file, even though she was no longer living there, and she declined to confirm her new address.

Following this call, Capital One wrote to Mrs G on 6 July 2024, confirming that, if the arrears weren't cleared or if no payment plan was put in place, *“your account could default in the next 2 months.”* Despite the assurances in the call of 5 July 2024, Mrs G didn't clear the arrears or set up a repayment plan, and there's no evidence she contacted Capital One to discuss her account. As a result, following a Default Notice being sent to the address Mrs G insisted Capital One use for corresponding with her on 2 September 2024, the account defaulted in October 2024.

Based on what I've seen and heard, I'm satisfied that Capital One have complied with their regulatory obligations to treat Mrs G's financial difficulties with forbearance and due consideration – they provided breathing space which was extended to the end of August 2024 after Mrs G paid the requested £73.63; and they offered to set up a payment plan on multiple occasions.

When Mrs G didn't contact them as agreed, or set up any payment plan, Capital One sent out a Default Notice, explaining what would happen. While I appreciate that Mrs G says she never received this, it was sent to the address she twice confirmed on 5 July 2024 that she wanted all correspondence sent to. And there's no evidence that she gave them an updated

address after this date. So, I'm satisfied that Capital One acted reasonably in the circumstances, and they haven't done anything wrong by defaulting the account following an extended period of non-payment.

As such, and while I appreciate this will come as a disappointment to Mrs G, I don't think Capital One have done anything wrong, and I won't be asking them to do anything more.

### **My final decision**

For the reasons explained, I don't uphold Mrs G's complaint about Capital One (Europe) Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 7 October 2025.

Andrew Burford  
**Ombudsman**