

The complaint

Mr L has complained that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) mis-sold him a fee-paying Premier Reward Black account.

Mr L says that he wasn’t eligible for Premier banking.

Account history

- Opened as a fee-free Current Account on 01 October 1986
- Changed to a fee-free Graduate Account on 30 July 1999
- Upgraded to a fee-paying Advantage Premier Account on 04 June 2001
- *Migrated to a (fee paying) Black Account on 16 January 2012
- Reward ‘bolt-on’ added in 2016

*NatWest rebranded the Advantage Premier account as a Black account. This change is seen as a continuation of the existing packaged account, rather than as a separate sale for the purposes of this complaint.

What happened

NatWest issued its final response to Mr L’s complaint on 22 April 2025 and said that he’d raised his complaint outside of the time limits set by the regulator.

After Mr L referred his complaint to this service, one of our investigators assessed the complaint and they concluded that this service can consider Mr L’s complaint. After NatWest agreed that this service could consider the complaint, the investigator assessed the merits of Mr L’s complaint, but they didn’t uphold it.

As Mr L disagreed with the investigator’s assessment, the matter was referred for an ombudsman’s 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.

We’ve explained our approach to complaints about packaged accounts on our website and I’ve used that to help me decide this complaint. Having considered everything, I don’t uphold the complaint.

Mr L says that the account was mis-sold because he didn’t meet the eligibility criteria to have the account. However, even if that was the case in 2001, I don’t think that means the account was mis-sold.

I say this because, accounts that are aimed at high-net-worth customers usually require a customer to meet certain requirements before they can take out such an account. Sometimes that will require the customer to have a salary over a particular limit (that is paid into their account); sometimes that may be the customer has to have a mortgage balance over a certain amount; and sometimes the customer needs to have a certain amount of money in savings or investments to be eligible to have a private or premier account. And sometimes the criteria is a mixture of the above.

In this case, based on what we know about the Advantage Premier account, in April 2003, NatWest had set a requirement that anyone who earns a sole income of £35,000 was able to have the account. It seems that this requirement increased over the years. I don't know what the income requirements were in 2001. But I think the income requirement in 2001 would likely to have been similar to what it was in 2003. Furthermore, NatWest has provided a copy of a note recorded on its systems during the sale of the account. The note said that Mr L had recently secured a new job and his salary was due to be circa £35,000. So, on balance, it does seem that Mr L likely did meet the income requirements to be able to apply for the account, and that was why his application to have an Advantage Premier account was successful.

Nevertheless, even if Mr L didn't meet the criteria but NatWest still let him have the account, this doesn't mean that it was mis-sold. I say this because, customers are still able to make use of, and benefit from, all of the features on their account, even if they don't meet (or no longer meet) the Premier banking criteria. So, I can't say that Mr L has suffered a financial loss, or been prevented from using the benefits he was paying for - even if he never actually met the eligibility criteria of (but was still able to have) the Advantage Premier account in 2001.

Mr L has also said that the account was mis-sold as he has made little use of the benefits. However, based on what we do know about the Advantage Premier account, prior to 2003, it included very few insurance benefits, and most of the benefits of having the account were either banking benefits: such as a guaranteed overdraft limit of £2,500 and preferential interest rates on overdrafts, loans and mortgages – and non-insurance benefits: such as offering discounts on tickets, restaurants etc.

Therefore, many of the insurance benefits that Mr L says he didn't use were not benefits on the account when it was sold to him. It seems the only two insurance products that may've been included with the account in 2001 were travel insurance and extended warranty cover.

I note that Mr L has a long history of medical conditions, and says these would've made the travel insurance unsuitable for him. The earliest terms and conditions for the Advantage Premier account travel insurance I have seen are from January 2004. In relation to pre-existing medical conditions, it says:

“Pre-existing medical condition means any medical condition in respect of which at the time of booking the trip the insured person:
a) is receiving day or in-patient treatment or is on a waiting list for day or in-patient treatment; or
b) has received a terminal prognosis; or
c) is intending to travel against the advice of a qualified medical practitioner;
or
d) is travelling to obtain medical treatment.”

From the above, it seems that Mr L would've likely been covered for his existing conditions (in 2001) providing he wasn't receiving in-patient treatment, wasn't intending to travel against medical advice and was not travelling to obtain medical treatment.

As such - based on what Mr L has told us about his medical history - even if NatWest hadn't made Mr L aware of the above during the sale (although I can't say for sure that it failed to do this), I don't think that Mr L would've necessarily been put off from agreeing to the account had the travel insurance pre-existing medical condition requirements been made clear to him. I say this particularly as, in 2001, the bulk of the account benefits were banking, rather than insurance, benefits. And I can see he applied for overdrafts, loans and mortgages in the years following his upgrade to the Advantage Premier account. So, I think it's likely he agreed to the account because he was attracted to the banking benefits that it offered.

I appreciate that Mr L has had the Advantage Premier account (later the Black account) for many years. In that time, the benefits have changed a great deal since 2001. Mr L says he hasn't used many of the benefits included with the account – although most of the benefits he says he hasn't made use of were not benefits on the account when it was sold to him. But just because Mr L has not made use of the benefits in the years since he took out the account, doesn't mean that NatWest was wrong to have sold it to him in 2001. And ultimately, if the account later became unsuitable for Mr L's circumstances or he didn't need the benefits as they were changed on the account, I've not seen anything that would've prevented him from changing his account, if he didn't want it anymore.

As such, taking everything into account, I'm unable to conclude that the Advantage Premier account was likely to have been mis-sold.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 2 March 2026.

Thomas White
Ombudsman