

## **complaint**

Mr G raised an administration complaint against Capital One (Europe) plc with regard to his payment protection ("PPI") policy on his credit card.

## **background**

Mr G had several issues with his PPI policy.

- He complains that Capital One issued him with a new credit card in 2004 and he didn't consent to PPI being added to this card.
- Mr G became self-employed in 2004. He told us that around this time he called Capital One to cancel the policy. However, his PPI wasn't cancelled and he continued to pay for the policy until 2010.
- Mr G made a successful unemployment claim on his payment protection policy ("PPI") policy between April 2003 and March 2004. He says Capital One didn't inform him that he wouldn't be covered by the policy for six months after his claim. They also didn't check if he wanted to continue with his policy once he had claimed.

Our adjudicator didn't uphold his complaint. Mr G didn't agree, so the case has been passed to me for a final decision.

## **my findings**

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

Mr G originally applied for his credit card (ending in -3763) in 2002 and bought PPI around the same time.

Capital One provided credit card statements and internal records that show Mr G received replacement cards in 2004 and 2006 with the same credit card number. In 2007 his credit card number changed to -3048 due to a fraud alert on the account. However, in all this time the actual credit card agreement didn't change.

Mr G's representatives raised the argument that Mr G was sent a new card in 2004 because he had claimed on the PPI policy. However, this isn't the case. It was replaced because his old card had expired.

The PPI policy that Mr G took out in 2002 remained in place throughout. This is the reason why Mr G didn't need to sign a new credit agreement and no further consent for PPI was needed when he received his new credit cards over the years.

Mr G says he phoned Capital One in 2004 to cancel his policy around the time he became self-employed. Capital One sent us their system notes from 2004 and there's no evidence to show that Mr G phoned to discuss his employment status or that he wanted to cancel his PPI. The only phone call they have a record of is when Mr G phoned in August 2004 to activate his replacement card.

PPI premiums were listed as a separate item on Mr G's credit card statements and the policy was only cancelled in 2010. I think it's likely that if he had asked Capital One to cancel his policy earlier and yet he was still being charged for it that he would've taken this up with Capital One earlier.

So with the limited information I have I think it's more likely that he didn't try to cancel his policy with Capital One.

As I understand it, Mr G's main concern is that after his claim the policy's terms wouldn't have allowed him to make another claim for six months and that Capital One should've made him aware of this. He says if he had known about this clause he wouldn't have continued with the policy as it offered no benefits to him. He says Capital One should've asked him after his claim if he wanted to renew his PPI policy.

Mr G's policy allowed him to make a claim for unemployment or disability for up to 12 months per claim. It's a standard term that no further claim for the same reason can be made for a specific period; a six months clause is quite common. These clauses prevent an indefinite claim for either unemployment or disability.

Capital One provided the policy document that was in use when Mr G bought his PPI policy in 2002 and also the policy documents that were in use in 2004. Mr G also provided a policy document that was sent to him directly by the insurer.

All policies included the following information:

*If you claim for unemployment again within 6 months of ceasing to be entitled to benefit under a previous unemployment claim, the 2 events will be treated as one claim and that claim will be subject to a maximum number of 12 monthly payments.*

Mr G only claimed for 11 months for unemployment, which means he could've claimed for one additional month before he would've reached his maximum 12 months for each *unemployment* claim. So after his claim finished in March 2004 Mr G wasn't affected by this exclusion.

Also the policy would've allowed Mr G to make a claim on the disability part of the cover straight away again as this would've been counted as a new claim for a different reason.

When Mr G successfully claimed on his unemployment part of the cover, the PPI policy didn't come to an end or needed to be renewed. It was still a valid policy that only would've come to an end if either Capital One or Mr G cancelled it.

Capital One had to make sure that Mr G was informed about any major changes to the policy since he took it out. But the policy's terms hardly changed between 2002 and 2004. And the clause that after a claim of 12 months consumers couldn't claim again for the same reason for a period of six months wasn't new.

Capital One didn't have to remind Mr G of any existing terms that were included in the policy, or ask him if he wanted to continue with the cover after his claim. Once Capital One had sold the PPI to Mr G, it was his responsibility to make sure that the policy was still suitable for his needs.

Mr G mentioned that in 2002 he only received a policy document from Capital One and not from the insurer. I think there's a possibility that Capital One provided Mr G with a summary of cover or an information leaflet about PPI which only gives an overview of the policy.

However, PPI policies are set up with the insurer once the policy has been sold and a certificate of insurance together with the insurer's policy terms is sent out. These documents would've described what the policy actually covered and included the references Mr G would've needed to make a claim on the cover.

The sale happened many years ago and it might well be that Mr G doesn't remember receiving the full policy document and that he didn't keep it. But on balance I think it's likely that he did receive the policy document after he bought the cover in 2002.

I carefully considered the arguments Mr G raised. However, I don't think Capital One did anything wrong here and so I can't uphold his complaint.

### **my final decision**

For the reasons mentioned above I'm not upholding Mr G's complaint. Capital One (Europe) plc doesn't have to do anything further.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr G to accept or reject my decision before 30 October 2015.

Nina Walter  
**ombudsman**