

## **complaint**

Mr H complains that NewDay Ltd (trading as Opus) has:

- not provided him with a certified copy of his original signed agreement;
- increased the interest rate on his card on several occasions; and
- has wrongly charged him late payment fees.

## **background**

Mr H took out a credit card in 2008 with a predecessor of Opus. In 2010, Mr H says he was told that his card would be transferred to a new agreement, operated under the brand Opus. He says that he was then written to on a number of occasions and informed his interest rate would increase. When he was told about the increase due to take effect on 26 August 2013, he decided to close his account. Mr H says that he has asked for a copy of the original credit card agreement he signed but that this has not been provided. He also says that Opus said it would send him a new agreement but that this never arrived. Mr H also says that on a number of occasions he made his credit card payment over the counter at his bank but that Opus said the payment arrived late and charged him late payment fees.

Opus says that it provided Mr H with a new agreement when it took over his credit card. It says that it also sent Mr H a letter in May 2014, including copies of the terms and conditions of his original agreement and the new agreement in place with Opus. Opus says that the interest rate increases had been made in line with its terms and conditions and that Mr H was given the option to opt-out of the increases. It also says that following Mr H's complaint, it excluded him from the February 2013 re-pricing. Mr H did opt-out of the planned August 2013 interest rate increase. Following this, Opus says it wrote to Mr H to say that his account would be closed and confirmed the interest rate for the repayment of his outstanding balance.

The adjudicator said that Opus' failure to provide the signed original agreement did not invalidate the contract. She said that Mr H had been sent a new agreement when Opus took over his credit card account and that because Mr H had continued to use his card, he had agreed to the new terms and conditions. The adjudicator accepted that Opus would not provide specific details about why Mr H's interest rate was being increased because this information was commercially sensitive. She said that because Opus had provided the required notice of the interest rate increases and given Mr H the option to opt-out of the increase, it had done nothing wrong.

Finally, the adjudicator explained that Mr H's statements and the website set out that at least five days should be allowed for a payment to reach his account if made at a bank. Based on the dates Mr H had made his payments, she did not find that he had allowed sufficient time for the payments to clear.

Mr H did not agree. He said that the original agreement was key to determining the contract between him and the card company and that he had not received a new agreement from Opus when it took over his credit card. Mr H said that the credit card company was allowed to make rate changes every six months but that if challenged it had to provide evidence and disclose the criteria it had used to make its decision. He said Opus had not done this.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I understand why Mr H feels unhappy with the changes that have happened to his credit card account. My role is to identify whether the credit card company has done anything wrong in its dealings with Mr H and if so, to ensure that Mr H is put back in the position he would have been had any mistakes not been made and, where appropriate, award compensation.

The first part of Mr H's complaint is that Opus was not able to send him a certified copy of his original agreement and that he did not receive the new agreement when Opus took over his account. I understand Mr H's annoyance that he did not receive the new agreement when it came into effect, but I find no reason to believe that Opus did not send this to him. In a letter to Mr H in May 2014, Opus sent Mr H a copy of the terms and conditions of his original agreement and a copy of the new agreement between NewDay Ltd and Mr H. I find that these agreements provide Mr H with the information he required about what changes could or could not be made to his account.

The terms and conditions say that interest rates can change and new charges and fees can be introduced. The terms set out a number of reasons why the interest rate might change including changes made for any other valid reason as long as the customer is able to end the agreement without charge. The terms say that at least 30 days' notice will be provided. Opus did provide Mr H with the required notice of the increases in his interest rate and provided him with the option to opt out of this. Because of this I find it has acted in line with its terms and conditions.

Information provided by the UK Credit Card Association sets out that, other than in exceptional circumstances, card providers will not increase interest rates more than once every six months. While I accept that Opus did increase Mr H's interest rate on several occasions, these were not more frequently than six monthly. Mr H has also referred to the requirement for information to be provided about why an increase in interest rate is being applied. I understand why he wants this information and the arguments he has put forward, however I do accept that Opus will not provide certain details as they are commercially sensitive.

In regard to the late payment fees, based on the information provided, I find that Mr H did not allow sufficient time for his payments to reach his account. I understand that Mr H believed his payments would reach his account the same day but this was not the case based on his chosen payment method.

In all circumstances, I do not find that Opus has done anything wrong and so I do not require it to pay Mr H compensation.

### **my final decision**

My final decision is that I do not uphold this complaint.

Jane Archer  
**ombudsman**