

## **complaint**

Ms W complains that she did not receive the advertised benefit of an interest free overdraft when she transferred her Santander UK Plc current account.

## **background**

Ms W understood she would receive a fee free overdraft for the first four months when she transferred her account from an everyday current account to the bank's 123 current account. But she was charged fees. When she complained the bank told her the fee free overdraft only applied to customers who switched their accounts from another provider.

The adjudicator recommended that the account should be upheld. She concluded that the difference between "switching" an account from another provider and "transferring" from an existing Santander account were not made clear and that the application process was not sufficiently clear. She considered Santander should refund four months' overdraft fees and pay Ms W £50, in addition to the £50 it had already paid, for the distress and inconvenience caused.

Santander responded to say, in summary, that Ms W wrongly clicked on the "*new customers*" option. She should have clicked on the "*existing current account customers*" option, which would have made it clear she did not qualify for the 0% overdraft for four months. It said Ms W had not been financially disadvantaged because she had not been charged more than she would have been if she had not transferred her account.

## **my findings**

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

The 0% overdraft for four months was available to new customers who used Santander's switching service to transfer their account from another provider. Ms W was an existing Santander customer and was not entitled to this benefit. But Ms W had read the account literature available on the bank's website which included reference to the 0% overdraft feature. She says it was this feature in particular which attracted her to the account. The account application page includes two options – one for new customers and one for existing customers. The option for existing customers clearly says:

*"you will get the same great benefits as new customers".*

I consider it was reasonable for Ms W to assume from this statement that she would receive the 0% overdraft benefit.

The monthly statements Ms W received say:

*"if you've switched your account using the Account Transfer Service you will not pay any Arranged Overdraft fees for the first 4 months"*

I would not expect Ms W to understand the difference between "switching" and "transferring" an account and I consider she reasonably believed that by transferring her account she would receive the 0% overdraft benefit.

**my final decision**

For the reasons I have explained, my final decision is that I uphold this complaint. In full and final settlement, I order Santander UK plc to:

1. Refund overdraft charges for four months from the date Ms W opened her 123 current account.
2. Pay Ms W £50 for the distress and inconvenience caused (in addition to the £50 already paid).

Elizabeth Dawes  
**ombudsman**