

## **The complaint**

Mrs W has complained that Lendable Ltd are holding her liable for a debt which was taken out as the result of a scam.

## **What happened**

Mrs W responded to an online advert about investing in cryptocurrency. But the investment was not real – it was a scheme by scammers. The scammers persuaded Mrs W to pay some money to them to invest. They then told her that her investment had made a very large profit, but she needed to pay a large fee to withdraw it. Mrs W couldn't afford the fee, so the scammers suggested she take a loan, which they said would be interest-free as it would be paid back using her profits.

A £5,000 loan was taken out with Lendable using Mrs W's details, verified by messages with Mrs W's genuine email address and phone number. The £5,000 was paid into Mrs W's bank account. The funds were then moved to another account of hers, then to a crypto account she'd set up, and then onto the scammers. Mrs W didn't receive the promised profits.

At the time she reported the scam, Mrs W said she gave the scammers her ID and sensitive details so they could apply for a loan for her, and that she transferred the loan funds herself. Mrs W now says that she was unaware of the loan and that she didn't make the transfers.

Lendable waived the loan's interest and fees but held Mrs W liable for the principal amount.

Our Investigator looked into things independently and didn't uphold the complaint. Mrs W didn't agree, so the complaint's 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.

I understand Mrs W was scammed here, for which she has my sympathy. I know this cannot have been an easy time for her, not least given her wider health situation. It's worth keeping in mind that it's the scammers who are primarily responsible for what happened. But I can only consider what Mrs W and Lendable are responsible for in this dispute between them.

I can't see that Lendable had sufficient reason to think it wasn't Mrs W applying for this loan. Her correct details were provided, she verified her contact details, the application passed its checks, and nothing suspicious was found in the application.

It's not clear whether Mrs W submitted the application herself or whether the scammers did it for her. But Mrs W received all the relevant communication, to the same contact details she gave us. This included:

- A quotation setting out the loan applied for, where she needed to click a link to proceed with the loan;
- An email asking her to verify her email address in order to proceed with her loan request, which was then verified;
- A text message asking her to verify her phone number if she wanted to proceed with her loan quote, which was then verified;
- A loan agreement, which was then electronically signed;
- An email confirming that the loan she'd taken out was on its way to her account; and-
- An email confirming her agreed direct debit to repay the loan she'd taken out.

According to the technical information, it looks like Mrs W would've seen these emails and texts at the time. But even if I accept she didn't, I've also listened to Mrs W's initial calls with Lendable and her bank from just after the scam. In those, she confirmed she'd provided her ID and sensitive details to the scammers in order that they could apply for a loan for her. She was aware of the loan, she understood it was in her name and intended it to cover her withdrawal, and she had checked with the scammers whether her loan was legal. Mrs W also confirmed that she transferred the loan funds herself, on the understanding that this would allow her to withdraw her profits and repay her loan.

I've also looked at the technical information from Mrs W's bank. According to this, she accessed her online banking on her genuine device, using her genuine internet connection, and authorised the transfer of the loan funds to her other account. Mrs W explained that she'd installed remote access software on her phone. But she accessed her online banking from her tablet device rather than her phone, and I've not found evidence of any remote access there.

Finally, Mrs W's communication with the scammer included an agreement drawn up between them about taking out a loan on her behalf, and strongly implies that she understood this was a loan being taken out in her name which would need to be repaid.

So even if I accept that Mrs W might not have physically submitted the loan application herself, I find she ought reasonably to have been aware that this was a loan being taken out in her name which would need to be repaid. I also find that she was most likely aware of the loan funds being transferred away, and most likely even facilitated those transfers herself.

So I cannot reasonably tell Lendable to write off the loan's principal. I find it's fair that Lendable agreed to waive the interest and fees, given that this loan was taken out as a result of a scam and Mrs W did not benefit from the funds. Mrs W also said Lendable lent to her irresponsibly. But even if I accepted that were the case, the solution would be the same – for Lendable to waive the interest and fees. And they've already done that here. I've not found a fair basis on which to tell them to do more than that.

This is a difficult message for me to give, and I know it's a difficult message for Mrs W to receive. But given the evidence I have, and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

### **My final decision**

For the reasons I've explained, I don't uphold Mrs W's complaint against Lendable Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or

reject my decision before 18 December 2024.

Adam Charles  
**Ombudsman**