

## **complaint**

Mr F complains that Lowell Financial Ltd has wrongly placed a default on his credit file.

## **background**

Mr F had a debt with his bank that he did not pay. The bank defaulted the account and recorded this on Mr F's credit file. Mr F explains that the debt was in dispute and he wasn't sent a default notice. The bank later sold the debt to Lowell Mr F has said he has been unable to obtain credit because of the default. Mr F has explained that he wasn't told the debt had been sold and Lowell has not produced a valid deed of assignment of the debt. Because of this Mr F says it is not entitled to enforce the debt against him.

Our adjudicator did not recommend the complaint should be upheld. She considered that the bank had registered the original default correctly and as the owner of the debt Lowell was entitled to record on Mr F's credit file that it remains unpaid. She was satisfied that Lowell owned the debt and did not consider that she could compel Lowell to produce the deed of assignment. Mr F did not agree and responded to say in summary that without the deed of assignment the default notice was unlawful.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. This service is not able to determine whether an agreement is legally enforceable as this is a matter for the courts to decide.

The original default was placed on Mr F's credit file by his bank before the debt was sold. The adjudicator has obtained records from the bank that show that it is likely a default notice was sent even though Mr F has said he did not receive it. I am satisfied on the evidence I have seen that the default was recorded correctly. I can understand why Mr F has said he did not receive the default notice, especially because of the time that has passed but I can't say that it wasn't sent.

Mr F has said the debt was in dispute but it is not clear what the problem was. On the basis of the paperwork produced to me the debt was incurred by Mr F. Although Lowell has not produced the deed of assignment it has said that the debt was legitimately sold to it by the bank. In the circumstances, even without the deed, I am satisfied that Lowell has taken responsibility for the debt. In these circumstances I consider that it is fair and reasonable for Lowell to seek repayment from Mr F and record the operation of the account on his credit file. I can't say that Lowell have made any error or acted unfairly towards Mr F.

As I explained above, whether on a strict legal basis, Lowell has complied with the formalities to enable it to enforce the debt is not a matter that I can determine. For these reasons I am unable to uphold this complaint.

## **my final decision**

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 20 April 2015.

Emma Boothroyd  
**ombudsman**