

## **complaint**

Mr D complains that MNBA Limited sold the debt on his credit card and did not comply with the Lending Code.

## **background**

Mr D began to suffer financial difficulties when his wife's mental health problems deteriorated and she was unable to work as many days a week as had been expected. He could not meet his credit card payments. MNBA agreed to accept reduced payments in October 2011. It says that it was unable to set up a formal reduced payment plan as that would have required the balance outstanding to be cleared within five years. (This would not have happened on the basis of the agreed payments.) However, at that stage the bank also agreed to stop all interest and to waive all future late, overlimit and returned payment charges. The letter setting out the arrangement said that the agreed monthly payments were not sufficient to prevent the registration of a default with credit reference agencies. MNBA sold the debt when one of the agreed monthly payments was missed. Mr D felt that this sale was a breach of the Lending Code.

The adjudicator did not agree with Mr D's interpretation of the code. She also felt that the bank had made reasonable efforts to help Mr D manage his financial position.

Mr D responded by saying that the Lending Code was unclear and that the bank should have pointed out its interpretation at an earlier stage. He said that he too has had to take steps to avoid being on medication for depression.

## **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 realise that this will be a disappointment to Mr D, but I find that I agree with the adjudicator, and on broadly the same grounds.

I am required as an ombudsman to reach a decision which I consider to be fair and reasonable in all the circumstances.

MBNA was required to act sympathetically and positively towards Mr D when he was in financial difficulties. I find that by offering to accept reduced payments and stop interest and charges it did act in this manner. I also find that MBNA was entitled to register adverse entries in Mr D's credit file.

I sympathise with Mr D. His wife's illness has affected her ability to work, and therefore reduced the family income and overall ability to repay the debt. However, I do not agree that MBNA should not have sold the debt. I am satisfied that MBNA was not aware of Mr D's own mental health issues at the time of the sale and find that it was not required to take his wife's mental health into account, as she was not its customer. I do not find that MBNA has any duty to explain its interpretation of the Lending Code to Mr D.

I find that I do not require the bank to do anything more.

**my final decision**

My decision is that I do not uphold this complaint.

Ros Barnett  
**ombudsman**