

## **complaint**

Mrs D complains that MKDP LLP is pursuing her for a debt that is statute barred.

## **background**

Mrs D was contacted by MKDP in July 2013 about a debt that she says is statute barred. MKDP contacted the original creditor which said that debt repayments had been made within six years, so it was not statute barred. Mrs D says that the repayments were not made by her and that her ex-husband is responsible for the debt. She complained to MKDP but was not satisfied with its response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. He concluded that the debt arose from a personal guarantee given to the original creditor by Mrs D and that she remained liable under the guarantee even if her ex-husband had agreed with her that the debt was his. The adjudicator did not consider that MKDP had acted unreasonably in pursuing Mrs D for the debt or that it should not continue to do so.

Mrs D has asked for her complaint to be considered by an ombudsman. She says, in summary, that the alleged debt is statute barred and that The Financial Conduct Authority's rules state that: *"... a firm must not continue to demand payment from a customer after the customer has stated that [she] will not be paying the debt because it is statute barred"*. She also says that the last repayment of this debt was made over six years ago and that the payment transactions sent between February 2006 and December 2008 were not paid, written or signed by her. She also says that, if MKDP continues to press for payment after she has stated that she will not be paying the alleged debt because it is statute barred, it could amount to physical and psychological harassment under the Office of Fair Trading's debt collection guidance.

## **my findings**

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

We offer an informal dispute resolution service and try to resolve disputes between financial organisations and their customers by looking at what we consider to be fair and reasonable in the circumstances.

Mrs D gave a director's personal guarantee to a bank in respect of a company's debts. The company was dissolved with unpaid debts in 2005 for which Mrs D was liable to the extent set out in the guarantee. Repayments were made to that debt between February 2006 and December 2008 but a substantial debt remained.

Mrs D says that her ex-husband was responsible for the debt and that she did not make those repayments. However, I consider that Mrs D continued to be liable for the debts under the personal guarantee.

MKDP contacted Mrs D about the debt in July 2013, which was less than six years after the last repayment had been made to the debt. I am not persuaded that the debt is statute barred and I do not consider that the Financial Conduct Authority's rules prevent MKDP from pursuing Mrs D for the debt in these circumstances. I therefore consider that MKDP is entitled to pursue Mrs D for repayment of the debt, to the extent that it is legally able to do

so, and I do not consider that it would be fair or reasonable for me to require MKDP to stop pursuing Mrs D for the debt.

I have not been provided with any evidence to persuade me that that the original creditor or MKDP has harassed Mrs D or treated her unfairly.

**my final decision**

For these reasons, my decision is that I do not uphold Mrs D's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs D to accept or reject my decision before 1 June 2015.

Jarrold Hastings  
**ombudsman**