

## **complaint**

Mr S complains that EuroNetCash LLC (trading as On Stride Financial) gave him a loan that he couldn't afford.

## **background**

In 2015 Mr S took a loan for £1,000 with On Stride Financial. The loan was repayable by thirteen monthly instalments of £104.24.

Mr S repaid the loan on time. But he says he was suffering from a severe gambling problem at the time. He says he already had several short- and long-term loans, and was in a debt spiral. He says that On Stride Financial asked him to provide his bank statements and payslips. But even though he didn't do so, it went ahead with the loan. Mr S explains that in the end, he only managed to repay it by borrowing elsewhere.

Our adjudicator didn't recommend that the complaint should be upheld. In summary, she thought On Stride Financial had carried out enough checks to make sure that Mr S could afford the loan. And she thought the loan would have looked affordable, based on the information it had available.

Mr S didn't agree with the adjudicator's view, so the complaint has been passed to me.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

On Stride Financial was required to lend responsibly. It needed to make checks to see whether Mr S could afford to pay back the loan before it lent to him. Those checks needed to be proportionate to things such as the amount Mr S was borrowing, the length of the agreement and his borrowing history. But there was no set list of checks On Stride Financial had to do.

Before agreeing to lend, On Stride Financial asked Mr S for details of his monthly income and expenditure. He told it his take-home pay was £1,250, and his regular monthly outgoings, including monthly credit commitments, were £550.

So based on the answers Mr S gave, I think it would have looked to On Stride Financial as if he'd be able to afford the loan repayments relatively comfortably. In the absence of anything to suggest that the information Mr S had provided might not be accurate, On Stride Financial was entitled to rely on it.

I acknowledge that On Stride Financial made the loan without sight of Mr S's bank statements or payslips. But given that the loan repayments were a small proportion of Mr S's declared monthly income, I don't think this was unreasonable. And although Mr S's bank statements support what he says about having had a gambling problem when he took out the loan, I wouldn't have expected On Stride Financial to be aware of this.

I know that my decision will come as a disappointment to Mr S. And I don't underestimate the seriousness of the financial situation he found himself in. But I for the reasons I've set out, I'm not convinced that On Stride Financial was irresponsible to make the loan. So I can't require it to refund the interest he paid on the loan, or to take any other action.

**my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 March 2018..

Juliet Collins  
**ombudsman**