

complaint

Mrs A has dissolved a former business partnership and complains that HSBC Bank Plc is still pursuing her for repayment of all partnership borrowing.

background

In April 2013 Mrs A told her business partner that she wanted to dissolve their partnership and a deed was signed to do this, backdated to March 2013. Mrs A said she had a meeting with HSBC about this in June 2013 and it took steps to prevent further payments. Since then Mrs A has been unhappy that she is being pursued for payment of all the partnership borrowing. She said she had agreed a payment from the partnership in settlement of her previous investment. It was agreed that her partner, who now trades as a sole trader using the same business name, would be responsible for the liabilities of the business going forward. Having now seen credit card statements for the partnership she has also disputed a transaction.

The adjudicator did not recommend that the complaint should be upheld. He said that:

- Mrs A was jointly and severally liable for all the debts of the partnership.
- The terms of the deed to dissolve the partnership were not binding on HSBC and this was something Mrs A would need to address with her former partner.
- HSBC took steps to prevent the partnership debt increasing once it knew about the dissolution and has also refunded subsequent charges.
- It had provided evidence of partnership spending and he did not consider it was unreasonable for it to pursue Mrs A for the debt outstanding.
- The disputed transaction was a new matter which Mrs A would need to raise as a fresh complaint to HSBC if she wanted to pursue this.

Mrs A did not agree and said, in summary, that HSBC had not provided all the information she needed and that branch staff had treated her badly.

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 can see that Mrs A had originally raised a complaint about her liability for the partnership debt with HSBC in 2013 and it issued a final response in August 2013. This quoted the relevant terms and conditions of the partnership account mandates and said that Mrs A was jointly and severally liable for the partnership debts. Mrs A then had a further meeting with branch staff in HSBC in February 2014. I appreciate she is unhappy that they did not investigate her complaint further but passed this to a Head Office department. HSBC issued a further final response in March 2014, repeating its previous conclusions, and refunding accrued charges.

Although the dissolution deed seems to have been effective from the end of March 2013, I am not persuaded that this was brought to the attention of HSBC before June 2013. It then took appropriate action. I agree with the adjudicator that any agreed split of liability in that deed is something that Mrs A would need to pursue with her former partner and is not something that alters her direct liability to HSBC.

I note that earlier correspondence about the partnership had been addressed to Mrs A's partner and Mrs A had not necessarily seen bank or credit card statements. But, the administration of the partnership was a matter between Mrs A and her partner. HSBC has provided evidence to this service of the payments made by the partnership and I am satisfied that it has evidenced that a debt exists. I appreciate that Mrs A now wants to query a specific payment made on the credit card as unauthorised. As the adjudicator says this would need to be a new complaint and I make no finding on this point.

As a result I do not consider that HSBC has acted unreasonably and I know that Mrs A will be very disappointed by my decision.

my final decision

In light of the above, my decision is that I do not uphold this complaint.

Michael Crewe
ombudsman