

## complaint

Mr K, a director of M, a limited company, says HSBC Bank Plc ("HSBC") has treated him unfairly with regard to a bank account.

## background

Mr K has said "*I have banked with HSBC, since August 2005 using 2 accounts (gives account details) with my wife and a business account (gives account details) for (company M) my 'start up' company.*" Mr K complains that HSBC has treated M unfairly with regard to how his "business account" was treated and a business plan M had.

Mr K was written to on the 18 September 2015 by our adjudicator explaining the issues with regard to this complaint. Specifically Mr K was asked again about the capacity he was complaining in. It was made clear that unless Mr K was willing to complain in his individual capacity as well as director of M it would likely cause difficulties in addressing all issues that have happened relevant to his complaint.

Mr K has refused to consent to this. As a consequence I can only look at this complaint in terms of what happened to M.

Our adjudicator didn't uphold any element of the complaint. Mr K on behalf of M disagreed with the adjudicator's opinion so the complaint has been passed to me.

## my findings

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

I've decided not to uphold Mr K's complaint because:

- M became a registered company in October 2012. The "business account" in question was set up some months before this. So M didn't exist at the time the "business account" was set up and as a consequence M cannot complain about things that happened beforehand.
- From the evidence I've seen it seems HSBC was first told that the "business account" should be in the name of M in August 2014. It then changed the entity of the owner of the account from personal to M in October 2014. At this point the account was already over its overdraft limit. From what I can see I don't think HSBC did enough to understand who owed this debt, as it seems to have been transferred from a personal/sole trader owner to M. However HSBC has since written off this debt -so it seems M is significantly better off than it otherwise would have been.
- Mr K has referred to a business plan M had in September 2014 which required HSBC to increase lending to M. Around this time the account in question was over its overdraft limit. Banks are entitled to make commercial decisions which this service should not interfere in. I can appreciate why HSBC didn't want to lend more money considering the state of the account at that time.
- I cannot consider the closing of the account because its debt was accrued mainly whilst the account wasn't in the name of M. However I can observe that HSBC's decision to write off that debt has led to all parties related to that account being better off together than they would have been otherwise. Some of the debt written off stemmed from charges which M has complained about. However as the charges

incurred from the time when M became the owner of the account have been written off, I don't see any unfairness here by HSBC.

I appreciate that this decision will disappoint Mr K in his capacity of director of M. However the issues involved in this case have been explained to him prior to this decision. It should be remembered that M is significantly better off due to HSBC's decision to write off its debts. As a consequence of this and all I've said, I see no persuasive reason for this complaint to succeed.

**my final decision**

For the reasons set out above, I don't uphold Mr K's complaint on behalf of M against HSBC Bank Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr K on behalf of M to accept or reject my decision before 13 November 2015.

Rod Glyn-Thomas  
**ombudsman**