

## **complaint**

Mr N complains that his debt with Lloyds Bank plc should be written off as the company to which he owes money is Lloyds TSB and it no longer exists.

## **background**

Mr N has both a current account and a credit card with Lloyds TSB. He says he was not told when the bank re-organised and, as his debts are with Lloyds TSB, not Lloyds, they should be written off because the company to which he owes money no longer exists.

Our adjudicator did not recommend that the complaint should be upheld. He explained that Lloyds TSB has not "*disappeared*", but has been split into two banks. He found that Lloyds was entitled to do this within the terms and conditions of its accounts and that Mr N's debts were still valid.

Mr N responded to say, in summary, that he had been advised that, legally, he cannot be in debt to a company that no longer exists. In addition, he says that he is in financial difficulties and that Lloyds should never have allowed him to borrow so much money.

## **my findings**

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

When Lloyds TSB split into two banks, it says it sent letters to all its customers. I acknowledge that Mr N says he did not receive a letter, but that does not mean his debt should now be written off. I have seen the terms and conditions of Mr N's accounts and Lloyds is entitled to reorganise as it did. Indeed it may also "*transfer [its] rights to someone else*" and I note that Mr N's current account debt is already with a third party.

However, I acknowledge that Mr N says he is in financial difficulties and that Lloyds allowed him to borrow more than he could afford to repay. If Mr N feels that the lending was unaffordable or that Lloyds has not met its obligation to treat customers in financial difficulty positively and sympathetically, then he is entitled to raise a further complaint with the bank.

Finally I note that Mr N says he has been advised that his debt is legally unenforceable. The outcome of this decision does not preclude him from pursuing his case in a court of law should he wish to do so.

## **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr N to accept or reject my decision before 7 May 2015.

Amanda Williams  
**ombudsman**