

## **complaint**

Mr D complains that Motormile Finance UK Limited added a default for a payday loan account it had purchased to his credit file. He wants it removed.

## **background**

Mr D said Motormile had bought a debt he accrued in 2011 with a payday lender. He said it'd recently added a default to his credit file. But he said it hadn't contacted him about the debt. This was affecting his mortgage application. He said he was happy to pay the debt, if owed, but he wanted the default removed.

Our investigator didn't recommend that the complaint should be upheld. Motormile showed that in 2016 it had bought the payday loan debt with £180 outstanding from a £200 loan that Mr D took out in 2011. She thought Motormile had sent Mr D a default notice and tried to contact him by phone about the debt. So she didn't think it should remove the default from Mr D's credit file.

Mr D replied that he hadn't received Motormile's contacts. He was happy to pay the debt but wanted the default removed.

## **my findings**

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

Motormile has shown us that it bought Mr D's debt from 2011. It's provided the credit agreement for the purchased debt and the due date. It said it wrote to Mr D in May 2016 about this. I can see that the address is correct. It said it tried to contact Mr D by letter, phone (correct mobile number) and email (out of date address) without success. It also left text messages for Mr D. It's provided evidence to show this.

Mr D didn't respond to the contacts. So the account fell into default and it sent Mr D a default notice by post. Mr D said he didn't receive this. But I've seen a screenshot showing that the letter was produced and a copy showing it was sent to the correct address in June 2016.

So I think Motormile tried to contact Mr D about the debt. I think it correctly sent Mr D a default notice. It then recorded the default on his credit file. As this is accurate, I can't ask Motormile to remove it.

## **my final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 9 February 2017.

Phillip Berechree  
**ombudsman**