

## **The complaint**

Mrs P's complaint is that Mitsubishi HC Capital UK Plc trading as Novuna (the 'Lender') acted unfairly and unreasonably by deciding against paying a claim under Section 75 of the Consumer Credit Act 1974.

## **What happened**

Mrs P purchased membership of a timeshare (the 'Fractional Club') from a timeshare provider (the 'Supplier') on 03 June 2015 (the 'Time of Sale'). She entered into an agreement with the Supplier to buy 2090 fractional points at a cost of £8975 (the 'Purchase Agreement').

Fractional Club membership was asset backed – which meant it gave Mrs P more than just holiday rights. It also included a share in the net sale proceeds of a property named on her Purchase Agreement (the 'Allocated Property') after her membership term ends. Mrs P paid for her Fractional Club membership by taking finance of £8975 from the Lender Mrs P's name (the 'Credit Agreement').

Mrs P in December 2022– using a professional representative (the 'PR') –emailed the Lender and made a claim under S75 of the CCA including a significant number of allegations and supporting arguments.

The Lender in its response to this December 2022 claim from the PR, said to this service *"The relationship between us and (Mrs P) ended on 14 August 2015 and therefore, Limitation in respect (the PR) and (Mrs P's) claim expired on 14 August 2021."*

In November 2023, her complaint was assessed by an Investigator here who, having considered the information on file, upheld the complaint on its merits. The Lender disagreed with the Investigator's assessment and asked for an Ombudsman's decision – which is why it was passed to me.

I issued a provisional decision dated 30 January 2025 stating that the Lender had treated the complaint about the S75 claim fairly by applying the Limitation Act 1980.

## **What I've decided – and why**

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

Neither Mrs P or her PR chose to respond to my provisional decision within the time limit set out. So, I see no reason to deviate from my provisional findings on the matter. Accordingly, I set them out again here as part of my final decision on the matter in italics.

*I can see all the arguments made by the PR are concerned with the sale of the timeshare. These include allegations of misrepresentation before and during the sale and arguments about the sale breaching regulations of the Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010 and a breach of fiduciary duty. This membership was*

*purchased on 03 June 2015 by Mrs P and the Lender in its final response dated 04 January 2023 has said:*

*“The Limitation Act 1980 sets out clear deadlines by which any claims may be brought for breach of contract and misrepresentation. Such claims must be brought within six years of the date the cause of action accrued. Limitation in respect of your claim against CLC therefore expired on 03 June 2021.”*

*Mrs P said that the timeshare supplier misrepresented the nature of the membership to her when they bought it and mis-sold it. However, under section 9 of the Limitation Act 1980, Mrs P had to make that claim within six years of when she entered into the timeshare and credit agreements – which was in June 2015 – because that is when she says she lost out having relied on false statements of fact.*

*As the claim wasn’t made to the Lender until December 2022 it is clearly outside that six-year time limit. And as the claim made solely pointed to failings before or during the sale of the timeshare membership, I think the Lender fairly dealt with Mrs P’s claim to it and also in not upholding her complaint about her claim as it was out of time.*

So, for all of these reasons it is my decision that the Lender has nothing more to do in this matter.

### **My final decision**

It is my final decision that this complaint about Mitsubishi HC Capital UK Plc trading as Novuna should not be upheld. It has nothing further to do on this matter.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs P to accept or reject my decision before 17 April 2025.

Rod Glyn-Thomas  
**Ombudsman**