

## **The complaint**

Mrs S complains about the information given to her by EE Limited, when she took out a fixed sum loan agreement to pay for a mobile telephone handset.

## **What happened**

In October 2024, Mrs S went to an EE store and spoke to a sales advisor about changing her handset. She says she wanted a particular handset, but the sales advisor spoke to her about a more expensive device.

After completing an application in the store, Mrs S took out a fixed sum loan agreement with EE, to pay for a brand new mobile telephone handset with a cash price of around £520. After making an advance payment of £30, Mrs S was scheduled to make monthly repayments of £13.50, over a three year term.

At the time of making the application with EE, Mrs S says the sales advisor told her she had a fourteen day cooling off period. Mrs S says she was told that she could return the device and exit the loan agreement, if she changed her mind within that timeframe.

A few days later, Mrs S changed her mind about the handset. She says she felt pressured and was spoken to inappropriately by the sales advisor. So, Mrs S took the handset back to the store.

Once there, Mrs S says the same sales advisor seemed unsure about the cooling off period and needed to rely on the store manager for help. Mrs S says the store refused to take the handset back, because she had taken the handset away on the same day as she had bought it. So, the advisor told Mrs S that the contract didn't have a cooling off period. Mrs S felt she had been misinformed by the advisor, so she raised her concerns with EE.

In their response to Mrs S's concerns, EE said that Mrs S was given the terms and conditions of the fixed sum loan, before she agreed to them. They said the terms made it clear that Mrs S's contract didn't have a cooling off period. Additionally, EE told Mrs S they couldn't see where the advisor had given her incorrect information.

EE agreed to give feedback to the advisor about how Mrs S says she was spoken to and removed an additional charge they had added to Mrs S's account in error. But, EE continued to hold Mrs S responsible for the fixed sum loan agreement. Mrs S didn't accept EE's response and brought her complaint to this service.

One of our investigators looked into Mrs S's complaint and found that EE had treated Mrs S fairly.

Although the investigator found it was likely the advisor had spoken inappropriately to Mrs S, she said Mrs S wasn't given incorrect information about the cooling off period. Neither was the investigator persuaded Mrs S was pressured into signing the loan documents. So, the investigator said it was fair for EE to hold Mrs S responsible for the repayments due under fixed sum loan agreement.

Mrs S didn't agree with the investigator's findings and said EE should have allowed her to cancel the plan for the handset and airtime services. The investigator didn't change her conclusions and Mrs S's complaint has now been passed to me to make a final decision.

### **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.

#### *Mrs S's agreement with EE*

This case is about a fixed sum loan agreement which Mrs S took out with EE. These types of loans are regulated financial products, so we are able to consider complaints about them.

The starting point for Mrs S's case is to establish if the sale of the handset and provision of the loan contained a term that allowed for a cooling off period. I can see from EE's records of the sale that a document called 'Key Information' was provided to Mrs S by the sales advisor. There is a section within that one page document that summarises what would happen if a customer changed their mind. It says:

*"We don't offer a change-of-mind policy if you purchase your device and take it away at the same time at one of our EE retail stores."*

Both Mrs S and EE have said that the handset was bought in one of EE's retail stores and taken away at the same time. With this in mind, I don't think Mrs S's loan agreement for the handset allowed for a cooling off period.

#### *The information given to Mrs S*

Under the Consumer Rights Act 2015 (CRA), there is an implied term written into contracts that goods supplied need to be of satisfactory quality, fit for their intended purpose and as described. The CRA then sets out what remedies are available to consumers if statutory rights under a goods or services contract are not met.

Mrs S didn't tell the store that she was unhappy about the quality of the handset and hadn't complained about a fault. So, I don't think EE should have allowed her to return the handset on that basis. This leaves Mrs S's concern that EE gave her incorrect information that she says led her to sign the fixed sum loan agreement.

A misrepresentation is, in very broad terms, a statement of law or of fact, made by one party to a contract to the other, which is untrue and which induces the other party into the contract.

In Mrs S's case, she says she was told in the store that she could return the handset if she changed her mind within a fourteen day cooling off period. She says the reassurance of the cooling off period induced her into the loan agreement with EE. And that they should now allow her to exit the contract and rewind the agreement.

To support what Mrs S says, she has provided a very detailed recollection of the discussions that she says took place in the store. Mrs S also says a family member was with her at the time she agreed to the fixed sum loan. She says they can confirm what was said by the advisor.

On the other hand, EE say they don't have a record of the verbal conversation between the advisor and Mrs S. But, they do have their notes surrounding the sale of the handset and a copy of the documents they gave to Mrs S, when the loan application was processed.

I've thought very carefully about Mrs S's testimony and her version of events at the store. I also recognise where she says a family member can confirm her side of the dispute. But equally, EE have said their advisor didn't give incorrect information to Mrs S.

Where the evidence is contradictory, incomplete or inconclusive, I reach my decision on the balance of probabilities. In other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

The wider evidence available here is the information given to Mrs S when the loan agreement was signed. I've already found from EE's records, that Mrs S's agreement didn't allow for a cooling off period. And I can see from those records, that Mrs S added her electronic signature to the Key Information document. So, on the face of it, I think Mrs S's signature confirms her understanding of that.

However, Mrs S says the sales advisor didn't allow her enough time to look at what she was signing and pressured her into the agreement. Mrs S also says that the additional charge added to her account in error, shows where the advisor was inexperienced and careless.

I do not doubt how Mrs S says she felt when speaking to the sales advisor and I empathise with what she has told us. Having looked at all the circumstances, I cannot see where EE should have sought further confirmation from Mrs S, to check she understood what she was offered, other than the documents they asked her to review.

Furthermore, I understand Mrs W's reasons for saying EE were careless when they mistakenly added a charge to her account. But, EE have said this was an error by their internal system, rather than a mistake by their advisor. While I'm glad to see EE corrected their error, I don't think this supports Mrs S view that the advisor was unsure of the terms of the agreement offered by EE.

Additionally, from what all parties have said, I'm not persuaded the sales advisor forced or coerced Mrs S into the fixed sum loan agreement. I can understand why Mrs S found the language used by the advisor to be inappropriate, and EE has recognised that feedback was required. But, I don't consider that the type of language used, unfairly led to Mrs S to agree to the borrowing.

After considering all the evidence, I've placed more weight on the electronic documents EE gave to Mrs S, when she took out the loan for the handset. On balance, I don't think the sales advisor told Mrs S that her agreement allowed for a cooling off period. So, I don't think there was a misrepresentation by EE about the terms of the loan.

I'm also aware that Mrs S says EE should have told her she could end her airtime services contract. That type of agreement isn't a regulated financial agreement, so we cannot investigate Mrs S's concerns about how it is operated. We've provided details to Mrs S, about the options available her regarding that agreement and I make no decision about it here.

But, I should add that even if Mrs S had cancelled her airtime services contract, she would still be responsible for the cost of the handset. So, Mrs S would still be required to settle the fixed sum loan agreement with EE in her name.

### *Summary*

Overall, I'm not persuaded EE gave Mrs S incorrect information, which induced her into taking out the fixed sum loan agreement. So, I think EE have treated Mrs S fairly. It then follows that I think it's fair and reasonable for EE to hold Mrs S responsible, for the

repayment of the remaining balance due under the fixed sum loan agreement.

I realise that my conclusions mean there will still be an outstanding balance owed by Mrs S to EE. Mrs S hasn't mentioned that she's struggling to keep up with those repayments. But, should that situation arise, I remind EE of their responsibility to treat Mrs S's financial circumstances with due consideration and forbearance.

This may mean looking at Mrs S's income and expenditure details to talk about the options they are able to offer, if she's unable to maintain the scheduled repayments.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 24 October 2025.

Sam Wedderburn  
**Ombudsman**