

The complaint

Ms C complains that Shop Direct Finance Company Limited (“SDFC”) has breached numerous regulatory and legal principles in relation to a running account credit agreement she took out with them.

What happened

Ms C complained to SDFC in MarchSD 2025, saying the electronic signature on the credit agreement she took out with them was invalid, rendering the agreement unenforceable and any interest charges unlawful. She also complained that SDFC declined a recent order she’d tried to place on the account and that SDFC had unlawfully processed her personal data.

SDFC didn’t uphold the complaint. They said an electronic signature was valid by virtue of section 7 of the Electronic Communications Act 2000, and that Ms C’s credit agreement was legally valid as a result. SDFC said they wouldn’t remove any interest or charges from the account as these had been added in line with the account terms and conditions.

SDFC also said they had declined the order Ms C had tried to make following an update they’d received about information on her credit file.

Ms C wasn’t happy with SDFC’s response and referred her complaint to our service. Our investigator didn’t recommend that it should be upheld. He thought SDFC were entitled to apply the interest in line with the rate shown in the credit agreement. And he felt SDFC were within their rights to decline the order Ms C had tried to make.

Ms C didn’t agree with our investigator’s view, and her complaint has been passed to me to decide.

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.

I’ve read the submissions provided by Ms C. It seems to me that the broad themes of her complaint are validity and enforceability. Ms C has referenced the lack of an agreement – or contract – containing a wet ink signature. As I understand it, in the absence of being sent an agreement with such a signature, Ms C believes there’s no evidence of a contractual relationship with, or obligation to, SDFC, such as that they can hold her liable for interest and charges.

Simply put, that’s not a matter for us to determine. In my view, that’s something better placed for a Court to consider. So, although I’ll say here, just to be clear, I don’t agree with Ms C’s position that an agreement without a wet ink signature is effectively null and void, I’ll not comment on this any further.

I would stress that our service is here to provide informal dispute resolution, and while I take relevant law, rules and regulations and what is regarded as good industry practice into

account, it's not for me, or our service, to resolve legal queries of the nature that Ms C has raised. While I accept Ms C believes there are legal technicalities, or some interpretations of certain Acts and laws that absolve her of any liability to repay interest and charges under the credit agreement, that's not a matter for us to determine.

Broadly speaking, my remit is to decide what's fair and reasonable. Here, from the information I have available, Ms C applied for an account with SDFC which was accepted, she has used the account, and SDFC has applied interest in line with what was shown on the credit agreement. Ms C hasn't said the interest has been calculated wrong; rather that it shouldn't be applied at all. Overall, and with this all in mind, I'm satisfied it is both fair and reasonable for SDFC to expect Ms C to repay what is owed in accordance with the credit agreement.

Ms C has also complained that SDFC declined an order she tried to place using her SDFC credit facility. The terms of the agreement, and the agreement itself, included that SDFC reserved the right to suspend the account to reflect changes in Ms C's credit status and ability to repay.

In this instance, it seems SDFC had information from credit reference agencies that indicated there may be issues with providing credit to Ms C at that time. Looking at SDFC's actions in light of the terms of the credit agreement, I'm not persuaded they treated Ms C unfairly. It seems the issue wasn't necessarily how Ms C was managing her account with them, but also her wider credit status – about which they had cause for concern through the reporting of the relevant credit reference agencies.

Finally, in respect of Ms C's comments about the unlawful processing of her data, this is a matter she needs to refer to the Information Commissioner's Office.

My final decision

For the reasons I've set out above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 4 December 2025.

Daniel Picken
Ombudsman