

The complaint

Mr B complains that a car supplied with finance from Mercedes-Benz Financial Services UK Limited trading as Mercedes Benz Financial Services ("MBFS") wasn't of satisfactory quality. MBFS has agreed a rejection of the car, but Mr B is unhappy because he hasn't been offered a refund for accessories that he paid to have added to the car, including a tracker, a dash cam, a tyre guard and a service plan.

What happened

On 15 June 2023 Mr B was supplied with a car and entered a personal contact purchase with MBFS. At the point of supply the car was around two years old and had covered around 12,892 miles. The cash price of the car was £46,128. Mr B paid a deposit of £8000 and MBFS financed the balance over a period of 60 months.

On 30 August 2023 Mr B had a tracker and a dashcam installed at a cost of £1300.

Mr B experienced several issues with the car, including an alarm fault and issues with the parking sensor, the airbag sensor, apple car play, the parking camera and parking assist. On 15 April 2025 MBFS accepted a rejection of the car. It offered the following redress:

Finance agreement settled with no credit file impact

Cash deposit of £8000 refunded

Pro rata refund of 100% of monthly instalments for the 8 days when the car was off the road with no courtesy vehicle provided and 20% for the 97 days when the car was off the road when a courtesy vehicle was provided but not an identical model to Mr B's vehicle totalling £610.47

8% interest on the amounts refunded

£350 compensation for distress and inconvenience

Mr B remained unhappy and brought his complaint to this service. He sought a refund of the products he'd purchased for the car, including a tracker and dash cam which cost £1300. He also sought a refund for the service plan he'd taken out and other insurance products.

MBFS has stated that it won't reimburse the cost of these products as it didn't supply them, but it has offered to cover the costs of removing the tracker and the dash cam and returning these to Mr B.

Our investigator didn't uphold the complaint. He said he agreed with MBFS that they weren't responsible for refunding the costs of the tracker and dash cam because they didn't supply these. The investigator said the offer to remove these items and return them to Mr B was fair. In relation to the service plan and remote package subscription, the investigator said that he didn't agree that these should be refunded. In relation to the tyre and damage insurance, the investigator said that MBFS didn't need to refund these costs because they hadn't provided the service.

Mr B didn't agree. He said he was unhappy about the length of time it had taken this service to investigate his complaint and said that whilst this time had passed he'd been paying for the vehicle. Mr B said he believed he should be compensated for the accessories he'd added to the vehicle and said that MBFS hadn't compensated him for the removal of these items. Mr B also said that when his car was being repaired, he'd been provided with a loan car which wasn't of the same specification as his own car.

Because Mr B didn't agree I've been asked to review the complaint.

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 know it will disappoint Mr B but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

MBFS has accepted rejection of the vehicle, so I won't be commenting on the satisfactory quality of the car. Instead, I'll concentrate on whether the redress offered by MBFS is fair and reasonable.

The remaining issue in dispute centres on costs incurred by Mr B in relation to accessories he added to the car (tracker and dash cam), a monthly service plan and tyre and damage insurance. Mr B has also made some points about the courtesy car he was supplied with.

MBFS has stated that it isn't able to reimburse Mr B for customised elements added to the car such as the tracker, window tints and dash cam, because the monies for these products and services weren't paid to them. It has stated that any refund for these additional products and services should be refunded by the provider of the product or service.

I appreciate how strongly Mr B feels about this and I can see that he's incurred significant costs on these additional accessories and products. However, I agree with the investigator that the costs of these accessories and products aren't MBFS's responsibility to refund. I'll explain why.

I've reviewed all of the relevant information. The tracker and dash cam were supplied by a third party after Mr B had taken possession of the car. These accessories were not supplied by MBFS or included in the finance agreement, so there is no basis to require MBFS to refund the cost of these items. MBFS has offered to meet the costs of removal of the tracker and dashcam and returning these items to Mr B which I think is fair and reasonable.

In relation to the monthly service plan, this isn't a product that was supplied by MBFS. The monthly payments for the plan weren't made to MBFS. It may be the case that any payments made in excess of services used could be refunded, but Mr B will need to approach the service care team (to whom the payments were made) directly in this regard.

In relation to the tyre guard plan, this isn't a product that was supplied by MBFS. Based on what I've seen this was purchased from the retailer. It may be the case that any payments made in excess of services provided could be refunded, but Mr B will need to approach the business to whom payment was made directly in this regard.

Based on what I've seen, I think the redress offered by MBFS is fair and reasonable. I've explained above why MBFS isn't responsible for refunding the additional products and services that Mr B seeks a refund for.

I can see that Mr B has now confirmed to MBFS that he accepts the rejection and associated offer of redress and has returned the car.

In relation to the points made by Mr B about the loan car he was supplied with whilst his car was being repaired, this isn't a matter which Mr B raised within his initial complaint to MBFS so in order for it to be fully investigated Mr B should raise it as a separate complaint with MBFS. I appreciate that he wasn't provided with a loan car which matched the specification of his own car in terms of size and specification. Whilst I understand Mr B's frustration, there's nothing in the agreement with MBFS which obliges them to provide a courtesy car.

My final decision

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

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

Emma Davy
Ombudsman