

## **The complaint**

Mrs H's complaint is, in essence, that Mitsubishi HC Capital UK PLC, trading as Novuna Personal Finance ('the Lender'), acted unfairly and unreasonably by deciding against paying a claim made under Section 75 of the Consumer Credit Act 1974 ('CCA').

## **What happened**

Mrs H purchased membership of a timeshare (the 'Fractional Club') from a timeshare provider (the 'Supplier') on 20 March 2013 (the 'Time of Sale'). Mrs H paid for her Fractional Club membership by taking finance from the Lender (the 'Credit Agreement'). Mrs H paid off the loan, and her credit relationship with the Lender ended, on 28 March 2014.

Mrs H – using a professional representative (the 'PR') – wrote to the Lender on 11 October 2022 (the 'Letter of Complaint') to raise a number of different concerns. As those concerns haven't changed since they were first raised, and as both sides are familiar with them, it isn't necessary to repeat them in detail here beyond the summary above.

The Lender dealt with Mrs H's concerns as a complaint and issued its final response on 10 February 2023, rejecting it on every ground.

The complaint was referred to the Financial Ombudsman Service on 21 March 2023. It was assessed by one of our Investigators who, having considered the information on file, said that Mrs H's concerns about an unfair credit relationship had been made out of time, and the remainder of her complaint should not be upheld.

Mrs H disagreed with the Investigator's assessment and asked for an Ombudsman's decision – which is why it was passed to me.

I recently issued a decision concerning our jurisdiction to consider Mrs H's complaint. I concluded that Mrs H's complaint about an unfair credit relationship had been made out of time, but her complaint about the Lender's rejection of her Section 75 claim had been made in time. Therefore, this final decision relates solely to Mrs H's complaint about the Lender's rejection of her Section 75 claim.

## **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.

This part of Mrs H's complaint was made for several reasons, which included that the Supplier misrepresented the Fractional Club membership at the Time of Sale as it told her she had purchased an investment which would considerably increase in value and that she would have access to the Allocated Property at any time.

Generally, creditors can reasonably reject Section 75 claims that they are first made aware of after the claim has become time-barred under the Limitation Act (the 'LA'), as it wouldn't be fair to expect them to look into such claims so long after the liability arose, and after a limitation defence would have been available in court. Therefore, it's relevant to consider whether Mrs H's Section 75 claim was time-barred under the LA before she put it to the Lender.

A claim under Section 75 is a "like claim" against the creditor. It in effect mirrors the claim a consumer could make against the Supplier.

A claim for misrepresentation against the Supplier would typically be made under Section 2(1) of the Misrepresentation Act 1967. And the limitation period to make such a claim expires six years from the date on which the cause of action accrued (see Section 2 of the LA).

However, a claim under Section 75, like the one in question here, is also "an action to recover any sum by virtue of any enactment" under Section 9 of the LA. The limitation period under that provision is also six years from the date on which the cause of action accrued.

The date on which the cause of action accrued was the Time of Sale. That's when Mrs H entered into the purchase of her timeshare based on the alleged misrepresentations of the Supplier – which she says she relied on. Further, as the loan from the Lender was used to help finance the purchase, it was when she entered into the Credit Agreement that she suffered a loss.

Mrs H first notified the Lender of her Section 75 claim on 11 October 2022. Given more than six years had passed between the Time of Sale and when she first put her claim to the Lender, in my view it was neither unfair nor unreasonable that the Lender rejected her concerns about the Supplier's alleged misrepresentations.

It follows that I do not consider this complaint should be upheld.

### **My final decision**

My final decision is that I do not uphold Mrs H's complaint about Mitsubishi HC Capital UK PLC, trading as Novuna Personal Finance, regarding its rejection of her Section 75 claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 26 November 2025.

Alex Salton  
**Ombudsman**