DRN-5965766

The complaint

Mrs N's complaint is, in essence, that Shawbrook Bank Limited (the 'Lender') acted unfairly and unreasonably by (1) being party to unfair credit relationships with her under Section 140A of the Consumer Credit Act 1974 (as amended) (the 'CCA') and (2) deciding against paying claims under Section 75 of the CCA.

What happened

Mrs N and Mr A purchased membership of a timeshare (the 'Fractional Club') from a timeshare provider (the 'Supplier') on 1 August 2016 (the 'First Time of Sale'). They entered into an agreement with the Supplier to buy 810 fractional points at a cost of £15,648 (the 'First Purchase Agreement').

Fractional Club membership was asset backed – which meant it gave Mrs N and Mr A more than just holiday rights. It also included a share in the net sale proceeds of a property named on the First Purchase Agreement (the 'First Allocated Property') after the end of their membership term.

Mrs N and Mr A purchased membership of a different type of timeshare (the 'Signature Collection') from the Supplier on 4 January 2017 (the 'Second Time of Sale'). After trading in their Fractional Club membership, they paid £15,016 for 1,420 fractional points (the 'Second Purchase Agreement').

Signature Collection membership was also asset backed and included a share in the net sale proceeds of a property named on the Second Purchase Agreement (the 'Second Allocated Property') after the end of Mrs N and Mr A's membership term. However, the Signature Collection differed from other timeshares offered by the Supplier, including the Fractional Club, in that members had preferential rights to stay in their allocated property, and the properties were said to be more luxurious.

Mrs N and Mr A paid for both purchases by taking finance from the Lender in Mrs N's name. As the finance used for the purchases was in Mrs N's sole name, only she is eligible to bring this complaint. I shall refer to the loan taken to fund the purchase at the First Time of Sale as the 'First Credit Agreement' and the loan taken to fund the purchase at the Second Time of Sale as the 'Second Credit Agreement'.

Mrs N – using a professional representative (the 'PR') – wrote to the Lender on 25 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 N's concerns as a complaint and issued its final response letter on 2 April 2024, rejecting it on every ground.

The complaint was then referred to the Financial Ombudsman Service. It was assessed by an Investigator who, having considered the information on file, rejected the complaint on its merits.

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

I considered the matter and issued a provisional decision (the 'PD') dated 26 January 2026. In that decision, I said:

> "I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. And having done that, I do not currently think this complaint should be upheld.
>
> However, before I explain why, I want to make it clear that my role as an Ombudsman is not to address every single point that has been made to date. Instead, it is to decide what is fair and reasonable in the circumstances of this complaint. So, if I have not commented on, or referred to, something that either party has said, that does not mean I have not considered it.
>
> **Section 75 of the CCA: the Supplier's misrepresentations at the Times of Sale**
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> The First Time of Sale
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> 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 N's Section 75 claim in respect of the First Time of Sale 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 First Time of Sale. That's when Mrs N 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 First Credit Agreement that she suffered a loss.
>
> Mrs N first notified the Lender of her Section 75 claim in respect of the First Time of Sale on 25 October 2022. Given more than six years had passed between the First 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.
>
> The Second Time of Sale

The CCA introduced a regime of connected lender liability under Section 75 that affords consumers ("debtors") a right of recourse against lenders that provide the finance for the acquisition of goods or services from third-party merchants ("suppliers") in the event that there is an actionable misrepresentation and/or breach of contract by the supplier.

Certain conditions must be met if the protection afforded to consumers is engaged, including, for instance, the cash price of the purchase and the nature of the arrangements between the parties involved in the transaction. The Lender doesn't dispute that the relevant conditions are met. But for reasons I'll come on to below, it isn't necessary to make any formal findings on them here.

It was said in the Letter of Complaint that Signature Collection membership had been misrepresented by the Supplier at the Second Time of Sale because Mrs N was:

1. Told that she had purchased an investment that would "considerably appreciate in value".
2. Promised a considerable return on her investment because she was told that she would own a share in a property that would considerably increase in value.
3. Told that she could sell her Signature Collection membership to the Supplier or easily to third parties at a profit.
4. Made to believe that she would have access to "the holiday apartment" at any time all year round.

However, neither points 1 nor 2 strike me as misrepresentations even if such representations had been made by the Supplier at the Second Time of Sale (which I make no formal finding on). Telling prospective members that they were investing their money because they were buying a fraction or share of one of the Supplier's properties was not untrue. And even if the Supplier's sales representatives went further and suggested that the share in question would increase in value, perhaps considerably so, that sounds like nothing more than an honestly held opinion as there isn't any accompanying evidence to persuade me that the relevant sales representative(s) said something that, while an opinion, amounted to a statement of fact that they did not hold or could not have reasonably held.

As for points 3 and 4, while it's *possible* that Signature Collection membership was misrepresented at the Second Time of Sale for one or both of those reasons, I don't think it's *probable*. They're given little to none of the colour or context necessary to demonstrate that the Supplier made false statements of existing fact and/or opinion. And as there isn't any other evidence on file to support the suggestion that Signature Collection membership was misrepresented for these reasons, I don't think it was.

So, while I recognise that Mrs N – and the PR – have concerns about the way in which Signature Collection membership was sold by the Supplier, when looking at the claim under Section 75 of the CCA, I can only consider whether there was a factual and material misrepresentation by the Supplier. For the reasons I've set out above, I'm not persuaded that there was. And that means that I don't think that the Lender acted unreasonably or unfairly when it dealt with this particular Section 75 claim.

Section 140A of the CCA: did the Lender participate in one or more unfair credit relationships?

I've already explained why I'm not persuaded that the Fractional Club and Signature

Collection memberships were actionably misrepresented by the Supplier at the Times of Sale. But there are other aspects of the sales processes that, being the subject of dissatisfaction, I must explore with Section 140A in mind if I'm to consider this complaint in full – which is what I've done next.

Having considered the entirety of the credit relationships between Mrs N and the Lender along with all the circumstances of the complaint, I don't think the credit relationships between them were likely to have been rendered unfair for the purposes of Section 140A. When coming to that conclusion, and in carrying out my analysis, I have looked at:

1. The standard of the Supplier's commercial conduct – which includes its sales and marketing practices at the Times of Sale along with any relevant training material;
2. The provision of information by the Supplier at the Times of Sale, including the contractual documentation and disclaimers made by the Supplier;
3. Evidence provided by both parties on what was likely to have been said and/or done at the Times of Sale;
4. The inherent probabilities of the sales given their circumstances; and, when relevant
5. Any existing unfairness from a related credit agreement.

I have then considered the impact of these on the fairness of the relevant credit relationships between Mrs N and the Lender.

The Supplier's sales & marketing practices at the Times of Sale

Mrs N's complaint about the Lender being party to unfair credit relationships was made for several reasons.

The PR says, for instance, that the right checks weren't carried out before the Lender lent to Mrs N. I haven't seen anything to persuade me that was the case in this complaint given its circumstances. But even if I were to find that the Lender failed to do everything it should have when it agreed to lend (and I make no such finding), I would have to be satisfied that the money lent to Mrs N was actually unaffordable before also concluding that she lost out as a result and then consider whether the credit relationships with the Lender were unfair to her for this reason. But from the information provided, I am not satisfied that the lending was unaffordable for her.

Connected to this is the suggestion by the PR that the Credit Agreements were arranged by an unauthorised credit broker, the upshot of which is to suggest that the Lender wasn't permitted to enforce them. However, it looks to me like Mrs N knew, amongst other things, how much she was borrowing and repaying each month, who she was borrowing from and that she was borrowing money to pay for Fractional Club and Signature Collection membership. And as none of the lending looks like it was unaffordable for her, even if the one or more of the Credit Agreements were arranged by a broker that didn't have the necessary permission to do so (which I make no formal finding on), I can't see why that led to Mrs N experiencing a financial loss – such that I can say that the credit relationships in question were unfair on her as a result. And with that being the case, I'm not persuaded that it would be fair or reasonable to tell the Lender to compensate her, even if the loans weren't arranged properly.

The PR also says that there were one or more unfair contract terms in the Purchase Agreements. But as I can't see that any such terms were operated unfairly against

Mrs N in practice, nor that any such terms led her to behave in a certain way to her detriment, I'm not persuaded that any of the terms governing Fractional Club and Signature Collection membership are likely to have led to an unfairness that warrants a remedy.

I acknowledge that Mrs N may have felt weary after sales processes that went on for a long time. But she says little about what was said and/or done by the Supplier during her sales presentations that made her feel as if she had no choice but to purchase the Fractional Club and Signature Collection memberships when she simply did not want to. She was also given a 14-day cooling off period and has not provided a credible explanation for why she did not cancel her membership during that time. Moreover, she did go on to purchase Signature Collection membership after Fractional Club membership – which I find difficult to understand if the reason she went ahead with the purchases in question was because she was pressured into them. And with all that being the case, there is insufficient evidence to demonstrate that Mrs N made the decisions to purchase the Fractional Club and Signature Collection memberships because her ability to exercise choice was significantly impaired by pressure from the Supplier.

Overall, therefore, I don't think that Mrs N's credit relationships with the Lender were rendered unfair to her under Section 140A for any of the reasons above. But there is another reason, perhaps the main reason, why the PR says the credit relationships with the Lender were unfair to her. And that's the suggestion that the Fractional Club and Signature Collection memberships were marketed and sold to her as investments in breach of a prohibition against selling timeshares in that way.

The Supplier's alleged breach of Regulation 14(3) of the Timeshare Regulations

Shares in the Allocated Properties clearly constituted investments as they offered Mrs N the prospect of a financial return – whether or not, like all investments, that was more than what she first put into them. But it's important to note at this stage that the fact that Fractional Club and Signature Collection membership included investment elements did not, itself, transgress the prohibition in Regulation 14(3). That provision prohibits the *marketing and selling* of a timeshare contract as an investment. It doesn't prohibit the mere existence of an investment element in a timeshare contract or prohibit the marketing and selling of such a timeshare contract *per se*.

In other words, the Timeshare Regulations did not ban products such as the Fractional Club and Signature Collection. They just regulated how such products were marketed and sold.

To conclude, therefore, that the Fractional Club and Signature Collection memberships were marketed or sold to Mrs N as investments in breach of Regulation 14(3), I have to be persuaded that it was more likely than not that the Supplier marketed and/or sold the memberships to her as investments, i.e. told her or led her to believe that Fractional Club and Signature Collection membership offered her the prospect of a financial gain (i.e. a profit) given the facts and circumstances of *this* complaint.

There is competing evidence in this complaint as to whether the Fractional Club and Signature Collection memberships were marketed and/or sold by the Supplier at the Times of Sale as investments in breach of Regulation 14(3) of the Timeshare Regulations.

On the one hand, it's clear that the Supplier made efforts to avoid specifically describing membership of the Fractional Club and Signature Collection as an "investment" or quantifying to prospective purchasers, such as Mrs N, the financial value of their share in the net sales proceeds of their allocated property along with the investment considerations, risks and rewards attached to it.

On the other hand, I acknowledge that the Supplier's sales process left open the possibility that the sales representative(s) may have positioned the Fractional Club and Signature Collection memberships as investments. So, I accept that it's also possible that the Fractional Club and Signature Collection memberships were marketed and sold to Mrs N as investments in breach of Regulation 14(3).

However, whether or not there were breaches of the relevant prohibition by the Supplier is not ultimately determinative of the outcome in this complaint for reasons I will come on to shortly. And with that being the case, it's not necessary to make a formal finding on that particular issue for the purposes of this decision.

Would the credit relationships between the Lender and Mrs N have been rendered unfair to her had there been a breach of Regulation 14(3) of the Timeshare Regulations?

Having found that it was possible that the Supplier breached Regulation 14(3) of the Timeshare Regulations at the Times of Sale, I now need to consider what impact such breaches had on the fairness of the credit relationships between Mrs N and the Lender under the Credit Agreements and related Purchase Agreements as the case law on Section 140A makes it clear that regulatory breaches do not automatically create unfairness for the purposes of that provision. Such breaches and their consequences (if there are any) must be considered in the round, rather than in a narrow or technical way.

Indeed, it seems to me that, if I am to conclude that breaches of Regulation 14(3) led to credit relationships between Mrs N and the Lender that were unfair to her and warranted relief as a result, whether the Supplier's breaches of Regulation 14(3) led her to enter into the Purchase Agreements and the Credit Agreements is an important consideration.

Following the Investigator's view that Mrs N's complaint should not be upheld, the PR provided a statement from her dated 28 September 2024 containing her recollections of the Times of Sale. In her statement, Mrs N says that the sales representative(s) told her she would make "a substantial profit" from Fractional Club membership and that she agreed to the purchase on the understanding she "could not lose". She also says that the sale of Signature Collection membership was similar, and the sales representative(s) told her "the property investment would yield considerable profits, being of a higher standard."

But it was only after the Investigator issued their view, and after the judgment in *R (on the application of Shawbrook Bank Ltd) v Financial Ombudsman Service Ltd and R (on the application of Clydesdale Financial Services Ltd (t/a Barclays Partner Finance)) v Financial Ombudsman Service* [2023] EWHC 1069 (Admin) ('*Shawbrook & BPF v FOS*') was handed down, that Mrs N recalled that the Supplier led her to believe that the Fractional Club and Signature Collection memberships offered her the prospect of a financial gain. And as experience tells me that, the more time that passes between a complaint and the event complained about, the more risk there is of recollections being vague, inaccurate and/or influenced by discussion with others, I find it difficult to understand why the Financial Ombudsman Service was only given

such evidence when it was.

The Letter of Complaint, which was sent prior to the Investigator's view and the judgment in *Shawbrook & BPF v FOS*, does say that the Fractional Club and Signature Collection memberships were sold to Mrs N as investments. But as the PR has made the same allegations in the same way on a significant number of complaints, I am not persuaded these were tailored based on individual comments Mrs N made around the time the Letter of Complaint was sent.

Indeed, as there isn't any other evidence on file to corroborate Mrs N's very recent evidence about her motivations at the Times of Sale, there seems to me to be a very real risk that her recollections were coloured by the judgment in *Shawbrook & BPF v FOS*. And with that being the case, I'm not persuaded that I can give her written recollections the weight necessary to find that the credit relationships in question were unfair for reasons relating to breaches of the relevant prohibition.

On balance, therefore, even if the Supplier had marketed or sold the Fractional Club and Signature Collection memberships as investments in breach of Regulation 14(3) of the Timeshare Regulations, I am not persuaded that Mrs N's decisions to purchase these at the Times of Sale were motivated by the prospect of a financial gain (i.e. a profit). And for that reason, I don't think the credit relationships between Mrs N and the Lender were unfair to her even if the Supplier had breached Regulation 14(3).

The provision of information by the Supplier at the Times of Sale

The PR says that payments of commission from the Lender to the Supplier at the Times of Sale should lead me to uphold this complaint because, simply put, information in relation to those payments went undisclosed at the Times of Sale.

As both sides already know, the Supreme Court handed down an important judgment on 1 August 2025 in a series of cases concerned with the issue of commission: *Johnson v FirstRand Bank Ltd, Wrench v FirstRand Bank Ltd and Hopcraft v Close Brothers Ltd* [2025] UKSC 33 ('*Hopcraft, Johnson and Wrench*').

The Supreme Court ruled that, in each of the three cases, the commission payments made to car dealers by lenders were legal, as claims for the tort of bribery, or the dishonest assistance of a breach of fiduciary duty, had to be predicated on the car dealer owing a fiduciary duty to the consumer, which the car dealers did not owe. A "disinterested duty", as described in *Wood v Commercial First Business Ltd & ors and Business Mortgage Finance 4 plc v Pengelly* [2021] EWCA Civ 471, is not enough.

However, the Supreme Court held that the credit relationship between the lender and Mr Johnson was unfair under Section 140A of the CCA because of the commission paid by the lender to the car dealer. The main reasons for coming to that conclusion included, amongst other things, the following factors:

1. The size of the commission (as a percentage of the total charge for credit). In Mr Johnson's case it was 55%. This was "so high" and "a powerful indication that the relationship […] was unfair" (see paragraph 327);
2. The failure to disclose the commission; and
3. The concealment of the commercial tie between the car dealer and the lender.

The Supreme Court also confirmed that the following factors, in what was a non-exhaustive list, will normally be relevant when assessing whether a credit relationship was/is unfair under Section 140A of the CCA:

1. The size of the commission as a proportion of the charge for credit;
2. The way in which commission is calculated (a discretionary commission arrangement, for example, may lead to higher interest rates);
3. The characteristics of the consumer;
4. The extent of any disclosure and the manner of that disclosure (which, insofar as Section 56 of the CCA is engaged, includes any disclosure by a supplier when acting as a broker); and
5. Compliance with the regulatory rules.

From my reading of the Supreme Court's judgment in *Hopcraft, Johnson and Wrench*, it sets out principles which apply to credit brokers other than car dealer credit brokers. So, when considering allegations of undisclosed payments of commission like the one in this complaint, *Hopcraft, Johnson and Wrench* is relevant law that I'm required to consider under Rule 3.6.4 of the FCA's Dispute Resolution rules ('DISP').

But I don't think *Hopcraft, Johnson and Wrench* assists Mrs N in arguing that her credit relationships with the Lender were unfair to her for reasons relating to commission given the facts and circumstances of this complaint.

I haven't seen anything to suggest that the Lender and Supplier were tied to one another contractually or commercially in a way that wasn't properly disclosed to Mrs N, nor have I seen anything that persuades me that the commission arrangements between them gave the Supplier a choice over the interest rate that led her into credit agreements that cost disproportionately more than they otherwise could have.

I acknowledge that it's possible that the Lender and the Supplier failed to follow the regulatory guidance in place at the Times of Sale insofar as it was relevant to disclosing the commission arrangements between them.

But as I've said before, the case law on Section 140A makes it clear that regulatory breaches do not automatically create unfairness for the purposes of that provision. Such breaches and their consequences (if there are any) must be considered in the round, rather than in a narrow or technical way. And with that being the case, it isn't necessary to make a formal finding on that because, even if the Lender and the Supplier failed to follow the relevant regulatory guidance at the Times of Sale, it's for the reasons set out below that I don't think any such failure is itself a reason to find the credit relationships in question unfair to Mrs N.

In stark contrast to the facts of Mr Johnson's case, as I understand it, the Lender didn't pay the Supplier any commission at the First Time of Sale. And with that being the case, even if there were information failings at that time and regulatory failings as a result (which I make no formal finding on), I'm not currently persuaded that the commission arrangements between the Supplier and the Lender were likely to have led to a sufficiently extreme inequality of knowledge that rendered the credit relationship arising from the First Credit Agreement unfair to Mrs N.

And also contrary to the facts of Mr Johnson's case, the amount of commission paid by the Lender to the Supplier for arranging the Second Credit Agreement wasn't

high. At £425.80, it was only 5% of the amount borrowed and even less than that (4.6%) as a proportion of the charge for credit. So, had Mrs N known at the Second Time of Sale that the Supplier was going to be paid a flat rate of commission at that level, I'm not persuaded that she either wouldn't have understood that or would have otherwise questioned the size of the payment at that time. After all, Mrs N wanted Signature Collection membership and had no obvious means of her own to pay for it. And at such a low level, the impact of commission on the cost of the credit she needed for a timeshare she wanted doesn't strike me as disproportionate. So, I think she would still have taken out the loan to fund her purchase at the Second Time of Sale had the amount of commission been disclosed.

What's more, based on what I've seen so far, the Supplier's role as a credit broker wasn't a separate service and distinct from its role as the seller of timeshares. It was simply a means to an end in the Supplier's overall pursuit of a successful timeshare sale. I can't see that the Supplier gave an undertaking – either expressly or impliedly – to put to one side its commercial interests in pursuit of that goal when arranging the Credit Agreements. And as it wasn't acting as an agent of Mrs N but as the supplier of contractual rights she obtained under the Purchase Agreements, the transactions don't strike me as ones with features that suggest the Supplier had an obligation of 'loyalty' to her when arranging the Credit Agreements and thus a fiduciary duty.

Overall, therefore, I'm not persuaded that the commission arrangements between the Supplier and the Lender were likely to have led to a sufficiently extreme inequality of knowledge that rendered the credit relationships unfair to Mrs N.

S140A conclusion

Given all the factors I've looked at in this part of my decision, and having taken all of them into account, I'm not persuaded that the credit relationships between Mrs N and the Lender under the Credit Agreements and related Purchase Agreements were unfair to her. So, I don't think it is fair or reasonable that I uphold this complaint on that basis.

Commission: the alternative grounds of complaint

While I've found that the credit relationship arising from the Second Credit Agreement wasn't unfair to Mrs N for reasons relating to the commission arrangements between the Lender and the Supplier, two of the grounds on which I came to that conclusion also constitute separate and freestanding complaints to her complaint about an unfair credit relationship. So, for completeness, I've considered those grounds on that basis here.

The first ground relates to whether the Lender is liable for the dishonest assistance of a breach of fiduciary duty by the Supplier because it took a payment of commission from the Lender without telling Mrs N (i.e. secretly). And the second relates to the Lender's compliance with the regulatory guidance in place at the Second Time of Sale insofar as it was relevant to disclosing the commission arrangements between them.

However, for the reasons I set out above, I'm not persuaded that the Supplier – when acting as credit broker – owed Mrs N a fiduciary duty. So, the remedies that might be available at law in relation to the payment of secret commission aren't, in my view, available to her. And while it's possible that the Lender failed to follow the regulatory guidance in place at the Second Time of Sale insofar as it was relevant to disclosing

> the commission arrangements between it and the Supplier, I don't think any such failure on the Lender's part is itself a reason to uphold this complaint because, for the reasons I also set out above, I think she would still have taken out the loan to fund her purchase at the Second Time of Sale had there been more adequate disclosure of the commission arrangements that applied at that time."

In conclusion, given the facts and circumstances of this complaint, I did not think that the Lender acted unfairly or unreasonably when it dealt with Mrs N's Section 75 claims, and I was not persuaded that the Lender was party to credit relationships with her under the Credit Agreements that were unfair to her for the purposes of Section 140A of the CCA. And having taken everything into account, I could see no other reason why it would be fair or reasonable to direct the Lender to compensate her.

The PR responded that it did not accept the PD and provided some further comments to be considered. The Lender had no further comments.

I am now in a position to finalise my 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.

I've considered the case afresh following the responses from the parties. Having done so, I've reached the same decision as that which I outlined in my provisional findings, for broadly the same reasons.

Again, my role as an Ombudsman isn't to address every single point which has been made to date, but to decide what is fair and reasonable in the circumstances of this complaint. If I haven't commented on, or referred to, something that either party has said, this doesn't mean I haven't considered it.

Rather, I've focused here on addressing what I consider to be the key issues in deciding this complaint and explaining the reasons for reaching my final decision.

The PR's further comments in response to the PD only relate to the issue of whether the credit relationships between Mrs N and the Lender were unfair. In particular, the PR has provided further comments in relation to whether the Fractional Club and Signature Collection memberships were sold to her as investments at the Times of Sale. It's also reiterated its argument that the payment of commission by the Lender to the Supplier led to unfair credit relationships.

As outlined in my PD, the PR originally raised various other points of complaint, all of which I addressed at that time. But it didn't make any further comments in relation to those in its response to my PD. Indeed, it hasn't said it disagrees with any of my provisional conclusions in relation to those other points. And since I haven't been provided with anything more in respect of those other points by either party, I see no reason to change my conclusions about them as set out in my PD. So, I'll focus here on the PR's points raised in response.

Section 140A of the CCA: did the Lender participate in unfair credit relationships?

The Supplier's alleged breaches of Regulation 14(3) of the Timeshare regulations

The PR explained in its response to my PD that it hadn't shared the Investigator's view with

Mrs N "to ensure that [her] recollections remained entirely [her] own and were not influenced by external documents." It said this means her recollections haven't been influenced by either the Investigator's view or the judgment in *Shawbrook & BPF v FOS*.

Part of my assessment of the testimony was to consider *when* it was written, and whether it may have been affected by external factors such as the widespread publication of the outcome of *Shawbrook and BPF v FOS*.

I have thought about what the PR has said, but on balance, I don't find it a credible explanation of the contents of Mrs N's evidence. Here, the PR responded to the Investigator's view to say that she alleged that the Fractional Club and Signature Collection memberships had been sold to her as investments and it provided evidence from her to that effect. I fail to understand how Mrs N disagreed with the view on the basis that the timeshares were sold as investments if she did not know our Investigator's conclusions. It follows, I think it more likely than not, that she did know about our Investigator's view before the evidence was provided.

I therefore maintain that there is a risk that Mrs N's testimony was coloured by the Investigator's view and/or the outcome in *Shawbrook & BPF v FOS*. And, on balance, the way in which the evidence has been provided makes me conclude that I can place little weight on it.

The PR says that in the judgment handed down in *Shawbrook & BPF v FOS*, it was not challenged that the product in question was marketed and sold as an investment. But, as I explained in my PD, the Timeshare Regulations did not ban products such as the Fractional Club and Signature Collection. They just regulated how such products were marketed and sold. And the judgment referred to did not make a blanket finding that all such products were mis-sold in the way the PR appears to be suggesting. Any complaint needs to be considered in light of its specific circumstances.

So, even if the Supplier had marketed or sold the memberships as investments in breach of Regulation 14(3) (which I still make no finding on here), I'm not persuaded Mrs N's decisions to make the purchases were motivated by the prospect of a financial gain. And for that reason, I still don't think the credit relationships between Mrs N and the Lender were unfair to her.

The provision of information by the Supplier at the Times of Sale

I responded to the PR's concerns about the commission arrangements in place at the Times of Sale at length in my PD. The PR has not said anything in response that persuades me I need to reconsider the provisional findings I reached.

S140A conclusion

Given all the factors I've looked at in this part of my decision, and having taken all of them into account, I'm not persuaded that the credit relationships between Mrs N and the Lender under the Credit Agreements and related Purchase Agreements were unfair to her. So, I don't think it's fair or reasonable that I uphold this complaint on that basis.

Overall conclusion

In conclusion, given the facts and circumstances of this complaint, I do not think that the Lender acted unfairly or unreasonably when it dealt with Mrs N's Section 75 claims, and I am not persuaded that the Lender was party to credit relationships with her under the Credit

Agreements that were unfair to her for the purposes of Section 140A of the CCA. And having taken everything into account, I see no other reason why it would be fair or reasonable to direct the Lender to compensate her.

My final decision

My final decision is to not uphold Mrs N's complaint about Shawbrook Bank Limited for the reasons provided.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 9 March 2026.

Alex Salton
Ombudsman