DRN-5998489

The complaint

Mr and Mrs A's complaint is, in essence, that First Holiday Finance Limited (the 'Lender') acted unfairly and unreasonably by (1) being party to an unfair credit relationship with them under Section 140A of the Consumer Credit Act 1974 (as amended) (the 'CCA') and (2) deciding against paying a claim under Section 75 of the CCA.

What happened

I issued a provisional decision on this complaint on 1 August 2025, in which I set out the background to this case and my provisional findings on it. A copy of the provisional decision is appended to, and forms part of, this final decision. As a result, it's not necessary for me to go over all the details again, but in very brief summary:

- Mr and Mrs A bought a timeshare from a timeshare provider (the "Supplier") on 20 March 2018 (the "Time of Sale"), for £37,294, reduced to £32,899 after the trade in of an existing product. The balance was financed by a loan of £22,899 from the Lender (the "Credit Agreement"), with the remaining £10,000 paid by other means.

- The timeshare was a type of asset-backed timeshare which entitled Mr and Mrs A to more than holiday rights. It also entitled them to a share in the proceeds of a property named on their purchase agreement (the "Allocated Property") after their contract came to an end.

- Mr and Mrs A later complained, via a professional representative ("PR"), to the Lender about a number of concerns which included misrepresentations by the Supplier giving them a claim against the Lender under Section 75 of the CCA, and matters giving rise to an unfair credit relationship between them and the Lender.

- The Lender rejected the complaint and it was then referred to the Financial Ombudsman Service for an independent assessment.

In my provisional decision I said I didn't think the complaint should be upheld. Again, my full findings can be found in the appended provisional decision, but in very brief summary:

- The Lender had not been unfair or unreasonable in declining Mr and Mrs A's Section 75 claim for misrepresentation, because the price of the timeshare was too high for Section 75 protection to apply to the purchase. However, I noted that misrepresentations could still be relevant for the purposes of an assessment of the fairness of the credit relationship, concluding as follows:

    - Some of the alleged misrepresentations were in fact true statements or statements of opinion which there was no evidence to demonstrate were not honestly held.

    - The remaining alleged misrepresentations were too vague and lacking in colour and context to be able to draw a positive conclusion that the Supplier had made false statements of specific fact to Mr and Mrs A.

- The Lender had not participated in a credit relationship with Mr and Mrs A that was unfair to them for any of the other reasons alleged because:
    - I didn't have enough evidence to conclude whether or not the Lender had carried out sufficient affordability checks but, even if it hadn't, there was a lack of evidence the loan had been unaffordable for Mr and Mrs A at the time.
    - If the credit broker who had arranged the loan had not held the proper permissions from the regulator (which I made no finding on), it was difficult to see how this had caused any loss or detriment to Mr and Mrs A.
    - I couldn't see that any allegedly unfair terms in the purchase agreement with the Supplier had been operated unfairly against Mr and Mrs A or had caused them to act in a way which was to their detriment.
    - It was possible the Supplier had breached Regulation 14(3) of the Timeshare Regulations by marketing the timeshare to Mr and Mrs A as an investment, but I was not persuaded by Mr and Mrs A's testimony as to this issue. I had concerns over how late in the process Mr and Mrs A had been asked to record their memories, after many years and various events that could have influenced their recollections. I didn't think I could attach much weight to their testimony. And I thought, in any event, that what Mr and Mrs A had recalled more recently did not really support a conclusion that they had purchased the timeshare because of any breach by the Supplier of Regulation 14(3).

I asked the parties to the complaint to provide any further submissions they wanted me to consider. The Lender had no further comments. PR, on behalf of Mr and Mrs A, disagreed with the provisional decision. It asked me to consider various points related to the alleged selling of the product to Mr and Mrs A as an investment, and how this had impacted their purchasing decision.

The case has now been returned to me to decide.

The legal and regulatory context

In considering what is fair and reasonable in all the circumstances of the complaint, I am required under DISP 3.6.4R to take into account: relevant (i) law and regulations; (ii) regulators' rules, guidance and standards; and (iii) codes of practice; and (where appropriate), what I consider to have been good industry practice at the relevant time.

The legal and regulatory context that I think is relevant to this complaint is, in many ways. no different to that shared in several hundred published ombudsman decisions on very similar complaints – which can be found on the Financial Ombudsman Service's website. And with that being the case, it is not necessary to set out that context in detail here

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.

Following the responses from both parties, I've considered the case afresh and 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.

PR's further comments in response to the provisional decision only relate to the issue of whether the credit relationship between Mr and Mrs A and the Lender was unfair to them. In particular, PR has provided further comments in relation to whether the membership was sold to them as an investment at the Time of Sale.

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

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

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

Part of my assessment of Mr O's 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*.[1]

PR says, in essence, that Mr and Mrs A's recollections (as set out in their 2024 witness statement) cannot have been influenced by our Investigator's assessment or by the case of *Shawbrook and BPF v FOS*, because they were unaware of or hadn't seen either of these things.

I have thought about what PR has said, but on balance, I don't find it a credible explanation of the contents of Mr and Mrs A's evidence. Here, PR responded to our Investigator's assessment to say that Mr and Mrs A alleged that Fractional Club membership had been sold to them as an investment and it provided evidence from them to that effect. I fail to understand how Mr and Mrs A disagreed with the assessment and provisional decision on the basis that the timeshare was sold as an investment if they didn't know our Investigator's conclusions. It follows, in my view, that Mr and Mrs A did know about our Investigator's assessment before their evidence was provided.

So, I maintain that there is a risk that Mr and Mrs A's testimony was coloured by the Investigator's assessment 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.

I acknowledge PR's points regarding the *persuasiveness* of Mr and Mrs A's testimony. PR argues Mr and Mrs A make a compelling case for their decision-making process having been materially affected by the improper selling/marketing by the Supplier of their timeshare as an

[1] *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)

investment. But given I can't place enough weight on Mr and Mrs A's testimony to draw any conclusions from it regarding what happened at the Time of Sale, and their motivations for their purchase, how persuasively they make their case is neither here nor there.

I will say at this point that, although this was not a point taken by PR, I have considered the nature of any commission arrangements between the Lender and the Supplier and how these may have affected the fairness of he credit relationship between Mr and Mrs A and the Lender. My understanding is that no commission was paid in this case, and there is nothing else in the commercial arrangements between the Lender and Supplier which would lead me to believe that Mr and Mrs A's credit relationship had been rendered unfair to them by virtue of these arrangements.

Ultimately, I do not think the Lender participated in an unfair credit relationship with Mr and Mrs A, taking into account the facts and circumstances of this case.

My final decision

For the reasons explained above, and in the appended provisional decision, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs A to accept or reject my decision before 1 January 2026.

Will Culley
Ombudsman

COPY OF PROVISIONAL DECISION

I've considered the relevant information about this complaint.

Having done so, I've arrived at broadly the same conclusions as our Investigator, but I've explained my reasons in more detail, so I'm giving the parties to the complaint a further opportunity to provide further submissions before I make my decision final.

The deadline for both parties to provide any further comments or evidence for me to consider is 15 August 2025. Unless the information changes my mind, my final decision is likely to be along the following lines.

The complaint

Mr and Mrs A's complaint is, in essence, that First Holiday Finance Limited (the 'Lender') acted unfairly and unreasonably by (1) being party to an unfair credit relationship with them under Section 140A of the Consumer Credit Act 1974 (as amended) (the 'CCA') and (2) deciding against paying a claim under Section 75 of the CCA.

What happened

Mr and Mrs A bought a 'Trial' membership from a timeshare provider (the 'Supplier') at the end of 2017. They went on to make two further purchases from the Supplier. The product they purchased which is at the centre of this complaint is their membership of a timeshare that I'll call the 'Fractional Club' – which they bought on 20 March 2018 (the 'Time of Sale'). They entered into an agreement with the Supplier to buy 2,730 fractional points at a cost of £37,294 (the 'Purchase Agreement'). After trading in their Trial membership, Mr and Mrs A were left with £32,899 to pay. Mr and Mrs A went on to trade in some of their fractional points at a later date, for points in the Supplier's 'Signature' club, but that purchase is not the subject of this complaint.

The points Mr and Mrs A purchased could be used annually to book holiday accommodation in the Supplier's portfolio. Fractional Club membership was asset backed – which meant it gave Mr and Mrs A more than just holiday rights. It also included a share in the net sale proceeds of a property named on the Purchase Agreement (the 'Allocated Property') after their membership term ends.

Mr and Mrs A paid for their Fractional Club membership by taking finance of £22,899 from the Lender (the 'Credit Agreement'). They paid the remaining £10,000 balance via other means.

Mr and Mrs A – using a professional representative (the 'PR') – wrote to the Lender on 20 March 2023 (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 Mr and Mrs A's concerns as a complaint and issued its final response letter on 31 March 2023, 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.

Mr and Mrs A disagreed with the Investigator's assessment and asked for an Ombudsman's decision – which is why it was passed to me. Mr and Mrs A, via PR, provided a witness statement narrating their experiences with the Supplier, as part of the response to our Investigator.

The legal and regulatory context

In considering what is fair and reasonable in all the circumstances of the complaint, I am required under DISP 3.6.4R to take into account: relevant (i) law and regulations; (ii) regulators' rules, guidance and standards; and (iii) codes of practice; and (where appropriate), what I consider to have been good industry practice at the relevant time.

The legal and regulatory context that I think is relevant to this complaint is no different to that shared in several hundred published ombudsman decisions on very similar complaints – which can be found on the Financial Ombudsman Service's website. And with that being the case, it is not necessary to set out that context here.

What I've provisionally decided – and why

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 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 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.

Unfortunately, in this case the cash price of the purchase falls outside of the range of prices to which Section 75 applies. Section 75(3) of the CCA provides as follows:

"[Section 75] does not apply to a claim—

…

(b) so far as the claim relates to any single item to which the supplier has attached a cash price not exceeding £100 or more than £30,000…"

In other words, Section 75 only applies to items with a price of over £100, up to and including £30,000. Mr and Mrs A's purchase from the Supplier was priced at £37,294, so it follows that the protection of Section 75 does not apply to it.

Section 75A of the CCA is another mechanism via which a debtor can make a claim against their creditor instead of the third-party merchant. This does apply to Mr and Mrs A's purchase, as it allows for claims to be made in relation to credit agreements of up to £60,260.

However, Section 75A is limited to claims in relation to breach of contract only, and not misrepresentation. The claims advanced by PR on Mr and Mrs A's behalf were claims that the Supplier had misrepresented things to them. PR said Mr and Mrs A were:

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

Given Section 75 of the CCA cannot apply to the purchase, and Section 75A does not cover misrepresentations, it follows that the Lender did not act unfairly or unreasonably by failing to honour a claim brought under these parts of the CCA.

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

One potential matter which could render a credit relationship between a borrower and a lender unfair, would be misrepresentations by the supplier of the goods or services purchased using the credit agreement. So while I've been unable to consider the alleged misrepresentations in the context of a Section 75 or Section 75A claim, I think it's appropriate to consider whether they may have rendered the credit relationship in this case unfair.

However, neither points 1 nor 2 above strike me as misrepresentations even if such representations had been made by the Supplier (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) expressed an opinion they did not hold or could not have reasonably held.

As for points 3 and 4, while it's *possible* that Fractional Club membership was misrepresented at the Time of Sale for one or both of those reasons, I don't think it's *probable*. These allegations have 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 Fractional Club membership was misrepresented for these reasons, I don't think it was.

I now move on to other aspects of the sales process 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 relationship between Mr and Mrs A and the Lender along with all of the circumstances of the complaint, I don't think the credit relationship between them was 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 Time of Sale along with any relevant training material;
2. The provision of information by the Supplier at the Time 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 Time of Sale;
4. The inherent probabilities of the sale given its 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 credit relationship between Mr and Mrs A and the Lender.

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

Mr and Mrs A's complaint about the Lender being party to an unfair credit relationship was made for several reasons.

The PR says, for instance, that the right checks weren't carried out before the Lender lent to Mr and Mrs A. 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 Mr and Mrs A was actually unaffordable before also concluding that they lost out as a result and then consider whether the credit relationship with the Lender was unfair to them for this reason. But from the information provided, I am not satisfied that the lending was unaffordable for Mr and Mrs A.

Connected to this is the suggestion by the PR that the Credit Agreement was arranged by an unauthorised credit broker, the upshot of which is to suggest that the Lender wasn't permitted to enforce the Credit Agreement. However, it looks to me like Mr and Mrs A knew, amongst other things, how much they were borrowing and repaying each month, who they were borrowing from and that they were borrowing money to pay for Fractional Club membership. And as the lending doesn't look like it was unaffordable for them, even if the Credit Agreement was 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 how that led to Mr and Mrs A incurring financial loss – such that I can say that the credit relationship in question was unfair on them 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 them, even if the loan wasn't arranged properly.

The PR also says that there was one or more unfair contract terms in the Purchase Agreement. But as I can't see that any such terms were operated unfairly against Mr and Mrs A in practice, nor that any such terms led them to behave in a certain way to their detriment, I'm not persuaded that any of the terms governing Fractional Club membership are likely to have led to an unfairness that warrants a remedy.

Overall, therefore, I don't think that Mr and Mrs A's credit relationship with the Lender was rendered unfair to them under Section 140A for any of the reasons above. But there is another reason, perhaps the main reason, why the PR says the credit relationship with the Lender was unfair to them. And that's the suggestion that Fractional Club membership was

marketed and sold to them as an investment in breach of prohibition against selling timeshares in that way.

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

The Lender does not dispute, and I am satisfied, that Mr and Mrs A's Fractional Club membership met the definition of a "timeshare contract" and was a "regulated contract" for the purposes of the Timeshare Regulations.

Regulation 14(3) of the Timeshare Regulations prohibited the Supplier from marketing or selling Fractional Club membership as an investment. This is what the provision said at the Time of Sale:

"A trader must not market or sell a proposed timeshare contract or long-term holiday product contract as an investment if the proposed contract would be a regulated contract."

But the PR says that the Supplier did exactly that at the Time of Sale – saying, in summary, that Mr and Mrs A were told by the Supplier that Fractional Club membership was the type of investment that would only increase in value.

The term "investment" is not defined in the Timeshare Regulations. But for the purposes of this provisional decision, and by reference to the decided authorities, an investment is a transaction in which money or other property is laid out in the expectation or hope of financial gain or profit.

A share in the Allocated Property clearly constituted an investment as it offered Mr and Mrs A the prospect of a financial return – whether or not, like all investments, that was more than what they first put into it. But it is important to note at this stage that the fact that Fractional Club membership included an investment element 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. They just regulated how such products were marketed and sold.

To conclude, therefore, that Fractional Club membership was marketed or sold to Mr and Mrs A as an investment 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 membership to them as an investment, i.e. told them or led them to believe that Fractional Club membership offered them 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 Fractional Club membership was marketed and/or sold by the Supplier at the Time of Sale as an investment in breach of regulation 14(3) of the Timeshare Regulations.

On the one hand, it is clear that the Supplier made efforts to avoid specifically describing membership of the Fractional Club as an 'investment' or quantifying to prospective purchasers, such as Mr and Mrs A, the financial value of their share in the net sales proceeds of the Allocated Property along with the investment considerations, risks and rewards attached to them.

On the other hand, I acknowledge that the Supplier's sales process left open the possibility that the sales representative may have positioned Fractional Club membership as an

investment. So, I accept that it's equally possible that Fractional Club membership was marketed and sold to Mr and Mrs A as an investment in breach of Regulation 14(3).

However, whether or not there was a breach 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.

Was the credit relationship between the Lender and the Consumer rendered unfair?

Having found that it was possible that the Supplier breached Regulation 14(3) of the Timeshare Regulations at the Time of Sale, I now need to consider what impact that breach had on the fairness of the credit relationship between Mr and Mrs A and the Lender under the Credit Agreement and related Purchase Agreement 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 a breach of Regulation 14(3) led to a credit relationship between Mr and Mrs A and the Lender that was unfair to them and warranted relief as a result, whether the Supplier's breach of Regulation 14(3) led them to enter into the Purchase Agreement and the Credit Agreement is an important consideration.

But on my reading of the evidence before me, the prospect of a financial gain from Fractional Club membership was not an important and motivating factor when they decided to go ahead with their purchase.

I'll explain why, but first I think it's necessary to comment on the available evidence in this case. Until April 2024, following an unfavourable assessment from our Investigator, we had received no testimony from Mr and Mrs A in their own words as to what happened at the Time of Sale. All we had was the Letter of Complaint, which is materially the same in content and allegations as many other letters I have seen from the PR relating to other complainants. In other words, the allegations in the Letter of Complaint are generic and I have found them of only very limited assistance in determining what happened at the Time of Sale.

Mr and Mrs A did later provide some testimony, around six years after the events they complain about. The evidence suggests the PR had a discussion with them following our Investigator's assessment, after which they emailed the PR with a narrative account of their experiences with the Supplier going back to 2017. While their account is reasonably detailed, it is difficult to attach as much weight to a statement produced this many years after the Time of Sale, compared to a statement written nearer the time when memories may have been fresher and freer from the potential influence of later events.

Since the Time of Sale various events have occurred, such as the judgment in the case of *Shawbrook & BPF v. FOS*[2], the receipt of an unfavourable assessment from our Investigator, and the process of preparing and proceeding with a mis-selling claim. All of these things can influence a person's memories or recollections, as discussed in the case of *Gestmin SGPS SA v Credit Suisse (UK) Ltd, WL 6047393 (2013).* I have no reason to think that Mr and Mrs A's recollections are not what they honestly recall, but I've needed to bear in mind the difficulties inherent in relying on this kind of evidence produced so long after the events complained of.

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[2] In this case the High Court set out a comprehensive analysis of complaints involving fractional timeshares and provided some clarity on matters such as the potential for a timeshare provider selling

I've considered Mr and Mrs A's testimony carefully. In this, they do refer to the Supplier having mentioned at the Time of Sale that when the Allocated Property was sold, they would "get a good return of profit" from it. They also say the Supplier promoted the holiday-related aspects of the product, showing them lots of locations they could go to with the membership, telling them that they could help them achieve their holiday dreams, and making it seem as though "the world was at [their] feet".

What does not really come across in Mr and Mrs A's testimony is why they purchased the Fractional Club membership. There's very little evidence in this case of what factors went into their decision-making process at the time. Notes made by the Supplier at the time Mr and Mrs A purchased their Trial membership record that it had asked them at that time if they'd be interested in upgrading to a full membership, and they'd replied that they wanted to see the accommodation and experience a holiday first. This to me suggests they were primarily interested in the holiday-related features of the Fractional Club, at least at that time.

That doesn't mean they weren't interested in a share in the Allocated Property. After all, that wouldn't be surprising given the nature of the product at the centre of this complaint. But given the lack of evidence, Mr and Mrs A themselves don't persuade me that their purchase was motivated by their share in the Allocated Property and the possibility of a profit, and so I don't think a breach of Regulation 14(3) by the Supplier was likely to have been material to the decision they ultimately made.

On balance, therefore, even if the Supplier had marketed or sold the Fractional Club membership as an investment in breach of Regulation 14(3) of the Timeshare Regulations, I am not persuaded that Mr and Mrs A's decision to purchase Fractional Club membership at the Time of Sale was motivated by the prospect of a financial gain (i.e., a profit). And for that reason, I do not think the credit relationship between Mr and Mrs A and the Lender was unfair to them even if the Supplier had breached Regulation 14(3).

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 Mr and Mrs A's Section 75 claim, and I am not persuaded that the Lender was party to a credit relationship with them under the Credit Agreement that was unfair to them 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 them.

My provisional decision

For the reasons explained above, I'm not minded to uphold this complaint.

Will Culley
Ombudsman

a timeshare as an investment, to cause unfairness in the relevant credit relationship between the purchaser and the lender financing the purchase.