

The complaint

Mr Z is unhappy that his hire purchase agreement with Stellantis Financial Services UK Limited was misrepresented to him.

What happened

In July 2021, Mr Z was supplied with a new car through a hire purchase agreement with Stellantis Financial Services UK Limited (SFS). The cash price of the car was £41,604.00 an advance payment of £7,256.62 being paid as listed on the agreement. Mr Z explained his part-exchange value was higher than this amount in total however. The total payable listed on the agreement was £46,809.56 payable in 47 monthly instalments of £425.02. followed by a final payment of £19,577.00.

Mr Z explains that he was told by the sales agent when buying the car that if he handed the care back at the end of the agreement term he wouldn't have anything else to pay. When Mr Z returned the vehicle rather than pay the optional final payment, he explains he was asked to pay a final payment in relation to insurance products taken out with the finance agreement.

Mr Z was unhappy about this and so complained to SFS. SFS did not uphold the complaint. As Mr Z remained unhappy, he brought his complaint to this service, where it was passed to one of our investigators. The investigator did not uphold the complaint. They explained there was no evidence to show the agreement was misrepresented to Mr Z. Mr Z disagreed and supplied some further information. This didn't change the investigator's outcome and so I've been asked to review the complaint to make a final 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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

If I haven't commented on any specific point raised, it is not because I've failed to take it into account, it's because I don't believe I need to comment on it to reach a fair outcome, I have carefully considered each piece of information provided.

When considering this matter, I've also taken into consideration section 56 of the Consumer Credit Act 1974. This states that any negotiations conducted by the credit broker or supplier of goods are deemed to be conducted in the capacity of an agent of the creditor, and that this includes all communications and representations made. This means that, in this case, any discussions, communication, or representations made by either the credit broker or

supplying dealership in respect of the agreement or insurance being provided were done so as an agent of SFS, for which SFS remain liable.

For me to be persuaded that a misrepresentation has taken place, there would need to be a false statement of fact and, in this instance, that false statement of fact would've had to induce Mr Z to acquire the car under his hire purchase agreement.

Mr Z has explained he was told verbally that if he handed the car back there would be no payment due. Mr Z has also explained that the information available supports his view that it is more likely than not this happened. I acknowledge Mr Z's point of view, however having looked at the information available, I'm not persuaded a false statement of fact has been made, that this induced him into the agreement where he wouldn't have done otherwise or that he couldn't have known there would be a payment due at the end of the term of the agreement for the insurance policy.

I say this because I have no evidence to show that Mr Z was told there would be nothing further to pay. I don't doubt this is true to the best of his knowledge; however the paperwork shows what he will be required to pay, and this is broken down as to when he will be expected to pay it. This shows the final payment in relation to the insurance complained about. Mr Z has also had to tick to agree that he has selected the policy, he will be supplied it on credit and that he's been provided with the terms and conditions of the policy. Mr Z has also had to sign to say that he has read the terms and conditions and has been given sufficient time to read them.

Within those terms it explains the final payment must still be made in respect of the insurance element of the agreement. Having looked at the agreement, I'm not persuaded the term appears to have been hidden away or appears to have been made unreasonably complicated.

I appreciate Mr Z has explained he doesn't think this has been displayed prominently enough and goes against what he was told by the sales staff. Having looked at everything I do have, I'm persuaded that Mr Z could have reasonably been aware that he'd need to make the final payment as agreed to within the agreement for the reasons outlined above.

I'm not persuaded that the information Mr Z has provided shows it is more likely than not he was induced into taking out this agreement by a false statement of fact.

I'm also not persuaded from the information I have that SFS have acted incorrectly in the way the insurance element was presented or the way Mr Z was given information about the product in relation to the agreement Mr Z entered into for the reasons outlined above. I acknowledge Mr Z raised concerns around how the policy was added and presented. I have nothing that shows SFS acted incorrectly in relation to those points. I haven't seen that the relevant information was unclear, unfair or misleading in this case or that Mr Z wasn't given the time to consider the relevant information.

My final decision

Although I acknowledge Mr Z did not expect to have to pay anything else, for the reasons I've explained, I don't uphold Mr Z's complaint about Stellantis Financial Services UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 12 March 2026.

Jack Evans
Ombudsman