

## **The complaint**

Mrs and Mr I complain Shawbrook Bank Limited (the “Lender”) has failed to honour a claim under Section 75 of the Consumer Credit Act 1974 (the “CCA”) and has participated in an unfair credit relationship with them under Section 140A of the CCA.

Mrs and Mr I are represented in their complaint by a professional representative (“PR”).

## **What happened**

I issued a provisional decision on this case on 13 November 2025, in which I set out the background to the complaint and my provisional conclusions. A copy of that provisional decision is appended to and forms part of this final decision, so it’s not necessary for me to go over all the details again. But to summarise:

- Mrs and Mr I bought a timeshare on 27 January 2015, for £12,898. The purchase was financed by a loan from the Lender.
- In June 2022, Mrs and Mr I complained to the Lender, via PR, seeking to find it responsible for the timeshare provider (the “Supplier”) having mis-sold the timeshare and the associated loan. The grounds of complaint were:
  - That the Supplier had misrepresented the timeshare, giving Mrs and Mr I a claim against the Lender under Section 75 of the CCA.
  - That the Supplier had been responsible for other improper acts or omissions, rendering the credit relationship between Mrs and Mr I, and the Lender, unfair to them within the meaning of Section 140A of the CCA.
  - The loan had been arranged by an unauthorised credit broker, making it unenforceable.
  - The Lender had failed to carry out the checks it should have done before lending to Mrs and Mr I.

The Lender didn’t accept Mrs and Mr I’s allegations, and the complaint was then referred to the Financial Ombudsman Service.

In my provisional decision, I concluded much of Mrs and Mr I’s complaint fell outside of the jurisdiction of the Financial Ombudsman Service, because it had been brought too late. And the rest of the complaint, I didn’t think should be upheld. Once again, the reasons are set out in the appended provisional decision, but to summarise:

- Mrs and Mr I’s complaint about being a party to a credit relationship with the Lender that was unfair to them, had been brought more than six years after the credit relationship in question had ended, and more than three years after they ought reasonably to have known they had cause for complaint. They had not been prevented from complaining sooner as a result of exceptional circumstances. This meant their complaint about this

had been brought too late for me to look into.

- The same reasoning applied to Mrs and Mr I's complaint about the loan having been arranged by an unauthorised credit broker, and the Lender having failed to carry out the creditworthiness checks it should have done. These complaints had been brought too late for me to consider.
- Regarding Mrs and Mr I's Section 75 claim – their complaint about the Lender's denial of this had not been brought too late for me to look into – but the underlying claim itself was time-barred under the Limitation Act 1980, meaning it was not unfair or unreasonable of the Lender to have declined to meet the claim.

I asked the parties to the complaint to let me have any further submissions they wanted to consider, before I made my decision final. The Lender said it accepted the decision. PR, on behalf of Mrs and Mr I, did not respond.

The case has been returned to me to decide.

### **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.

Because I have not received any new comments, evidence or arguments to consider from either party to this complaint, and having reviewed the case again, I see no reason to depart from the conclusions I reached in my appended provisional decision, and for the same reasons.

It follows that the only part of the complaint I've considered the merits of is Mrs and Mr I's complaint that the Lender failed to honour their Section 75 claim. And because that claim was time-barred under the Limitation Act 1980, giving the Lender a complete defence to it, it wasn't unfair or unreasonable of the Lender to decline to honour that claim.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs I and Mr I to accept or reject my decision before 7 January 2026.



Will Culley  
**Ombudsman**

## COPY OF PROVISIONAL DECISION

I've considered the relevant information about this complaint.

Having done so, I'm issuing this provisional decision to give the parties a further opportunity to make submissions.

The deadline for both parties to provide any further comments or evidence for me to consider is **27 November 2025**. Unless the information changes my mind, my final decision is likely to be along the following lines.

If I don't hear from Mrs I and Mr I, or if they tell me they accept my provisional decision, I may arrange for the complaint to be closed as resolved without a final decision.

### The complaint

Mrs and Mr I complain Shawbrook Bank Limited (the "Lender") has failed to honour a claim under Section 75 of the Consumer Credit Act 1974 (the "CCA") and has participated in an unfair credit relationship with them under Section 140A of the CCA.

Mrs and Mr I are represented in their complaint by a professional representative ("PR").

### What happened

This complaint relates to a timeshare purchase made by Mrs and Mr I from a timeshare provider (the "Supplier") on 27 January 2015. This appears to have been Mrs and Mr I's first purchase from the Supplier. I've outlined the basic details below:

- The purchase made on 27 January 2015 (the "Time of Sale") was of a membership in the Supplier's "Fractional Club". Mrs and Mr I bought 1,200 points in the Fractional Club, which could be used to book holiday accommodation every other year (the "Purchase Agreement"). This type of timeshare was also asset-backed, meaning it included a share in the future sale proceeds of a specific timeshare apartment named on Mrs and Mr I's purchase paperwork (the "Allocated Property"). The purchase cost £12,898.
- The Supplier arranged a loan (the "Credit Agreement") with the Lender for the £12,898 purchase price. This was repayable over 120 months at £228.77 per month, but Mrs and Mr I settled the loan early, in June 2015.
- In June 2022, through PR, Mrs and Mr I complained to the Lender, seeking to find it responsible for the Supplier having mis-sold the timeshare and associated loan. The individual mis-selling concerns raised by PR could be grouped under two general headings, which I've set out below.

### Misrepresentations by the Supplier giving rise to a claim against the Lender under Section 75 of the CCA

These included:

- That the Supplier had falsely told Mrs and Mr I that their purchase was a share in property which was an investment that would considerably increase in value.
- That the Supplier had falsely told Mrs and Mr I that they could sell their Fractional

- Club membership back to the Supplier or to third parties easily at a profit.
- That the Supplier had falsely told Mrs and Mr I that they would have “access to the holiday apartment” at any time, all year round.

### Matters which rendered the credit relationship between Mrs and Mr I and the Lender unfair to them

These included:

- That the Lender had failed to carry out the affordability checks required by industry guidance and/or regulations.
- That the Purchase Agreement contained terms which were unfair to Mrs and Mr I, such as terms allowing the Supplier to repossess the membership for minor breaches of the agreement.
- That the Supplier had sold and/or marketed the Fractional Club membership to Mrs and Mr I as an investment, in contravention of the regulations on selling timeshares.

### Other complaint issues

On Mrs and Mr I's behalf, PR also raised another matter which doesn't fit under either of the headings above. This was an allegation that the entity which had arranged the Credit Agreement had not held the relevant permissions from the industry regulator when it had done so, meaning the loan had been unenforceable by the Lender.

The Lender did not treat Mrs and Mr I's concerns as a complaint, but sent PR a letter denying all of the allegations made. The matter was then referred to the Financial Ombudsman Service. It was assessed by an Investigator who, having considered the information on file, came to the following findings:

- The Financial Ombudsman Service couldn't look at Mrs and Mr I's complaint that the Lender had participated in an unfair credit relationship with them, because such a complaint was time-barred under the Limitation Act 1980.
- It had not been unreasonable of the Lender to decline to honour a Section 75 claim, because again the claim had been time-barred under the Limitation Act 1980.
- The Credit Agreement had not been arranged by an unregulated credit broker.

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

### **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:

1. Whether the complaint (and to what extent) falls within the jurisdiction of the Financial Ombudsman Service; and (if relevant)
2. What's fair and reasonable in all the circumstances of the complaint, for any parts of the complaint our jurisdiction permits me to consider.

Having considered all the available evidence and arguments, my provisional conclusions are:

1. That Mrs and Mr I's complaint that the credit relationship between them and the Lender was unfair to them, is not one the Financial Ombudsman Service has the jurisdiction to consider, because it has been brought too late.
2. That Mrs and Mr I's complaint that the Lender didn't carry out the checks it should have before lending to them, is not one the Financial Ombudsman Service has the jurisdiction to consider, because it has been brought too late.
3. That Mrs and Mr I's complaint that the Credit Agreement was arranged by an unauthorised credit broker, is not one the Financial Ombudsman Service has the jurisdiction to consider, because it has been brought too late.
4. That the rest of the complaint was not brought too late, but the Lender's decision to decline Mrs and Mr I's Section 75 claim was not unfair or unreasonable.

I'll now explain why.

### My provisional findings on our jurisdiction to consider Mrs and Mr I's complaint

The rules which outline the complaints the Financial Ombudsman Service has jurisdiction to consider are set out in the Financial Conduct Authority's Handbook, under the chapter named DISP, and these rules are therefore usually known as the "DISP rules".

DISP 2.8.2 R contains rules about how long a complainant has to bring a complaint. The relevant part of the rules says the following:

*"The Ombudsman cannot consider a complaint if the complainant refers it to the Financial Ombudsman Service:*

*...*

*(2) more than:*

*(a) six years after the event complained of; or (if later)*

*(b) three years from the date on which the complainant became aware (or ought reasonably*

*to have become aware) that he had cause for complaint;*

*Unless the complainant referred the complaint to the respondent or to the Ombudsman within that period and has a written acknowledgement or some other*

*record of the complaint having been received; unless*

*(3) in the view of the Ombudsman, the failure to comply with the time limits in DISP 2.8.2 R...was as a result of exceptional circumstances; or*

...

*(5) the respondent has consented to the Ombudsman considering the complaint where the time limits...have expired..."*

In short, this means that in order for me to be able to consider Mrs and Mr I's complaint, they need to have made their complaint within six years of the event which the complaint relates to or, if this gives them longer, within three years of when they became aware (or ought reasonably to have been aware) of their cause to complain, unless there are exceptional circumstances which prevented them from bringing their complaint earlier or the Lender has consented to the complaint being brought late (which it hasn't in this case).

In order to determine whether or not a complaint has been brought inside the relevant time limits, it's necessary to define the "event" the complaint relates to. As far as Mrs and Mr I's complaint about the Lender's failure to honour their Section 75 claim is concerned, the event is the Lender's decision to decline the claim. This decision was communicated to Mrs and Mr I (via PR) on 25 September 2022, and the complaint was referred to the Financial Ombudsman Service within a few months of this. So, I'm satisfied that this part of the complaint was made "in time" and, as I've not seen any other reason that it would fall outside of our jurisdiction, I will go on to consider its merits later in this provisional decision.

Mrs and Mr I's complaint about the Lender's participation in a credit relationship that was unfair to them under Section 140A of the CCA, requires a slightly different analysis. It's now well established in the courts that a determination of whether or not a credit relationship complained of is unfair has to be made "*having regard to the entirety of the relationship and all potentially relevant matters up to the time of making the determination*" – which is the date of the trial in the case of an existing credit relationship, or otherwise the date the credit relationship ended.

In practical terms, this means the event for the purposes of DISP 2.8.2 R was Mrs and Mr I's credit relationship with the Lender which was alleged to have been unfair, and this event was a continuous one which came to an end in June 2015 when they settled the loan in question. The six-year time limit would therefore begin to run from that point.

It's not in dispute that Mrs and Mr I's complaint was first made to the Lender in June 2022. This was more than six years after June 2015 and so their complaint was made too late under the six-year limb of DISP 2.8.2 R.

That leaves the three-year limb of the rule, which could, in theory, give Mrs and Mr I more time to make their complaint.

The question which must be answered is whether Mrs and Mr I complained within three years of when they became aware, or ought reasonably to have been aware, that they had cause to complain about the potential unfairness of their credit relationship with the Lender. I will say here that the matters which could give rise to an unfair credit relationship are potentially very broad, and Mrs and Mr I only need to have been aware of one reason for the relationship to have potentially been unfair (or been in a position where they ought reasonably to have been aware of one reason) for the three-year clock to start. They wouldn't get a further three years if they later discovered another reason why the credit relationship may have been unfair.

Mrs and Mr I also don't need to have had actual, exact knowledge of their cause to complain to the Lender, to start the three-year clock running. They just need to have had constructive knowledge. What this means is that they need to have had sufficient information to be put on the path of discovering that the Lender had been responsible for something that had, or might have, gone wrong and caused them a loss. Bearing this in mind, to start the three-year clock, I think Mrs and Mr I should reasonably have been aware, or been put on the path to discovering, that:

1. There was a problem with the lending or the timeshare.
2. The problem had caused them, or was causing them, a loss.
3. Someone else may have been responsible for this loss, through their actions or failure to act.
4. This someone else may have been the Lender.

Having carefully read Mrs and Mr I's complaint, I think they were aware they had cause to complain to the Lender, or ought reasonably to have been aware, by 5 March 2019.

This is because Mrs and Mr I completed a witness statement on this date, which appears to have come about as a result of their making enquiries into what they could do about concerns they had about their timeshare purchases from the Supplier.<sup>1</sup> The witness statement referred to various issues Mrs and Mr I had experienced, including being put under pressure from the Supplier to make purchases, being lied to about being able to trade in previous memberships towards new purchases, and concerns about ongoing maintenance fees.

It's apparent therefore, that by *latest* 5 March 2019, Mrs and Mr I were already on the path to discovering that the Lender, as the connected lender which had financed their timeshare purchase, may have borne some responsibility for the Supplier's alleged failings. They were already carrying out relevant enquiries. So the latest they could have made their complaint was 5 March 2022. Mrs and Mr I's complaint was not made to the Lender until 16 June 2022, so they were "out of time" under the three-year limb of DISP 2.8.2 R also.

In light of the above, I am minded to conclude that Mrs and Mr I had until 5 March 2023 to make their complaint to the Lender about the alleged unfair credit relationship, for it to have been made in time for the purposes of the Financial Ombudsman Service's rules. The complaint was not made within that period of time, and so I must conclude that we do not have the power to consider the complaint about this, unless there were exceptional circumstances preventing Mrs and Mr I from bringing the complaint in time. Our Investigator noted that they couldn't see that there were any exceptional circumstances which might have caused Mrs and Mr I to have referred their complaint late. I agree with that observation. And PR hasn't mentioned any such circumstances in its response to this assessment, so I'm currently of the view that Mrs and Mr I were not prevented from making their complaint in time as a result of exceptional circumstances.

It follows that I'm minded to decide that Mrs and Mr I's complaint that their credit relationship with the Lender was unfair to them is not a complaint the Financial Ombudsman Service can consider.

Regarding their complaint about the Lender having not carried out the checks it should have before agreeing to lend to them, I think this was made too late for the same reasons I consider Mrs and Mr I's complaint about the fairness of their credit relationship with the

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<sup>1</sup> Witness statements such as the one completed by Mrs and Mr I were typically taken (or requested) by companies assisting consumers with timeshare mis-selling claims, with a view to taking forward a claim or complaint against timeshare providers or the lenders which had financed purchases.

Lender was unfair to them was made too late. My views on the matter of exceptional circumstances are also the same.

The date of Mrs and Mr I's witness statement, though it doesn't specifically refer to concerns about the Lender's checks, must, I think, be considered to be the latest date at which they ought reasonably to have been aware they had cause to complain. And that's because their complaint that the Lender had failed to carry out the appropriate checks, has its origins in the enquiries they were making at around this time. Mrs and Mr I were clearly already carrying out enquiries into any potential causes of complaint they had by the date of their witness statement, and they were seeking advice from relevant claims management or legal firms. It follows that, because they made their complaint to the Lender more than six years from the date of the lending decision and more than three years from 5 March 2019, that this part of their complaint was made too late.

I take the same view of Mrs and Mr I's complaint about the Credit Agreement having been arranged by an unauthorised credit broker, and for the same reasons.

### Mrs and Mr I's Section 75 Complaint

Section 75 of the CCA gives a borrower who has paid for goods or services with certain kinds of credit (such as the loan with the Lender) the right to make a "like claim" against the creditor in respect of any breach of contract or misrepresentation by the supplier of those goods or services, so long as certain conditions are met.

As a general rule, I think it's reasonable for creditors to reject Section 75 claims that they are first informed about after the claim has become time-barred under the Limitation Act 1980 ("LA"), as it wouldn't be fair to expect creditors to look into such claims so long after the liability arose and after a limitation defence would have been available in court. So, it is relevant to consider whether Mrs and Mr I's Section 75 claim was time-barred under the LA before PR put the claim to the Lender on their behalf.

As I mentioned above, a claim under Section 75 is a "like claim". This means it mirrors the claim Mrs and Mr I could have made against the Supplier.

A claim for misrepresentation against the Supplier would ordinarily 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. A claim for breach of contract against the Supplier would also be subject to a limitation period of six years from the date on which the cause of action accrued.

Any claim against a lender under Section 75 is also "*an action to recover any sum by virtue of any enactment*" under Section 9 of the LA. Such claims also have a time limit of six years from the date the cause of action accrued.

In claims for misrepresentation, the cause of action accrues at the point a loss is incurred. In Mrs and Mr I's case, that's when they entered the agreement to purchase the timeshare, and the related Credit Agreement, on 27 January 2015. This would be mirrored in the claim against the Lender.

Mrs and Mr I first notified the Lender of their Section 75 claim in June 2022, more than six years after the cause of action accrued in relation to their claims for misrepresentation. So I don't think it was unfair or unreasonable of the Lender to decline the part of the claim relating to the Supplier's alleged misrepresentations.

PR has argued that the limitation period can be extended in cases of concealment or fraud,

suggesting that the Supplier concealed from Mrs and Mr I that the Fractional Club membership was an investment, meaning they discovered this fact only later.

There are provisions within the LA to extend limitation periods in such circumstances, however PR's arguments on this point focus on the Section 140A part of the complaint, and this part of the complaint falls outside our jurisdiction for the reasons I explained earlier, which are unrelated to the provisions of the LA. And I don't think PR's arguments assist the claim in relation to misrepresentation, because the concealment of the product being an investment is inconsistent with PR's allegation that the Supplier falsely *told* Mrs and Mr I, at the Time of Sale, that the product was an investment.

### **My provisional decision**

For the reasons explained above, I am currently minded to decide that:

1. The Financial Ombudsman Service does not have the jurisdiction to consider Mrs and Mr I's complaint that the credit relationship between them and Shawbrook Bank Limited was unfair to them under Section 140A of the CCA.
2. The Financial Ombudsman Service does not have the jurisdiction to consider Mrs and Mr I's complaint that Shawbrook Bank Limited failed to carry out the right checks before lending to them.
3. The Financial Ombudsman Service does not have the jurisdiction to consider Mrs and Mr I's complaint that the Credit Agreement was arranged by an unauthorised credit broker.
4. Shawbrook Bank Limited did not act unfairly or unreasonably in declining to honour a Section 75 claim from Mrs and Mr I in respect of the Purchase Agreement.

Will Culley  
**Ombudsman**