

## **The complaint**

Mrs M's complaint is, in essence, that Tandem Bank Limited (the 'Lender') acted unfairly and unreasonably by (1) being party to an unfair credit relationship 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 M (and a third-party I'll refer to as Mr R) was the member of a timeshare provider (the 'Supplier') – having purchased other products from it over time. But the product at the centre of this complaint is her membership of a timeshare that I'll call the 'Fractional Club' – which she bought on 24 September 2018 (the 'Time of Sale'). She entered into an agreement with the Supplier to buy 1,420 fractional points at a cost of £12,558 (the 'Purchase Agreement').

Fractional Club membership was asset backed – which meant it gave Mrs M 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.

Mrs M paid for her Fractional Club membership by taking finance of £26,469 from the Lender (the 'Credit Agreement'). This included an amount to consolidate a loan Mrs M had previously taken out with a third-party lender.

Mrs M – using a professional representative (the 'PR') – wrote to the Lender on 13 November 2019 (the 'Letter of Complaint') to raise a number of different concerns. Since then the PR has raised some further matters it says are relevant to this outcome of the complaint. As both sides are familiar with the concerns raised, it isn't necessary to repeat them in detail here beyond the summary above.

The Lender dealt with Mrs M's concerns as a complaint and issued its final response letter on 27 December 2019, 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 M 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'). In that decision, I said:

### ***'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 ombudsman decisions on very similar complaints. And with that being the case, it is not necessary to set it out here.*

### ***What I've provisionally 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.*

*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 Time of Sale***

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*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 Fractional Club membership had been misrepresented by the Supplier at the Time of Sale because Mrs M was told by the Supplier that Fractional Club membership had a guaranteed end date when that was not true.*

*Neither the PR nor Mrs M have set out in any detail what words and/or phrases were allegedly used by the Supplier to misrepresent Fractional Club for this reason. However, the PR says that such representations were untrue because the Allocated Property was legally owned by a trustee and there was no indication of what duty of care it had to actively market and sell the property. Further, there is no guarantee that any sale will result at all, leaving prospective members to pay their annual management charge for an indefinite and unspecified period.*

*However, I cannot see why the phrases above would have been untrue at the Time of Sale even if it was said. It seems to me to reflect the main thrust of the contract Mrs M entered into. And while, under the relevant Fractional Club Rules, the sale of the Allocated Property could be postponed for up to two years by the 'Vendor'<sup>1</sup>, longer than that if there were problems selling and the 'Owners'<sup>2</sup> agreed, or for an otherwise specified period provided there was unanimous agreement in writing from the Owners, that does not render the representation above untrue. So, I am not persuaded that the representation above constituted a false statement of fact even if it was made.*

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<sup>1</sup> Defined in the FPOC Rules as "CLC Resort Developments Limited".

<sup>2</sup> Defined in the FPOC Rules as "a purchaser who has entered into a Purchase Agreement and has been issued with a Fractional Rights Certificate (which shall include the Vendor for such period of time until the maximum number of Fractional Rights have been acquired)."

*The PR has raised other matters as potential misrepresentations, but it seems to me that they are not allegations of the Supplier saying something that was untrue. Rather, it is that Mrs M wasn't told things about the way the membership worked, for example, that the obligation to pay management fees could be passed on to her children. It seems to me that these are allegations that Mrs M wasn't given all the information she needed at the Time of Sale, and I will deal with this further below.*

*So, while I recognise that Mrs M - and the PR - have concerns about the way in which Fractional Club 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 75 of the CCA: the Supplier's Breach of Contract**

*I have already summarised how Section 75 of the CCA works and why it gives consumers a right of recourse against a lender. So, it is not necessary to repeat that here other than to say that, if I find that the Supplier is liable for having breached the Purchase Agreement, the Lender is also liable.*

*Mrs M says that she could not holiday where and when she wanted to. That was framed, in the Letter of Complaint, as an alleged misrepresentation. However, on my reading of the complaint, this suggests that the Supplier was not living up to its end of the bargain, potentially breaching the Purchase Agreement.*

*Yet, like any holiday accommodation, availability was not unlimited – given the higher demand at peak times, like school holidays, for instance. Some of the sales paperwork likely to have been signed by Mrs M states that the availability of holidays was/is subject to demand. It also looks like she made use of her fractional points to holiday. I accept that she may not have been able to take certain holidays. But I have not seen enough to persuade me that the Supplier had breached the terms of the Purchase Agreement.*

*So, from the evidence I have seen, I do not think the Lender is liable to pay Mrs M any compensation for a breach of contract by the Supplier. And with that being the case, I do not think the Lender acted unfairly or unreasonably in relation to this aspect of the complaint either.*

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

*I've already explained why I'm not persuaded that Fractional Club membership was actionably misrepresented by the Supplier at the Time of Sale. But there are 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 Mrs M 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
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 Mrs M and the Lender.*

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

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

*They include, allegations that Mrs M was pressured by the Supplier into purchasing Fractional Club membership at the Time of Sale. Much more recently, the PR has said the right checks weren't carried out before the Lender lent to Mrs M and that she should not have been given the loan based on her financial situation.*

*However, as things currently stand, neither of these strike me as reasons why this complaint should succeed.*

*I acknowledge that Mrs M may have felt weary after a sales process that went on for a long time. But she says little about what was said and/or done by the Supplier during her sales presentation that made her feel as if she had no choice but to purchase Fractional Club membership when she simply did not want to. She was also given a 14-day cooling off period and she has not provided a credible explanation for why she did not cancel her membership during that time. And with all of that being the case, there is insufficient evidence to demonstrate that Mrs M made the decision to purchase Fractional Club membership because her ability to exercise that choice was significantly impaired by pressure from the Supplier.*

*Regarding the checks the Lender carried out to assess Mrs M's income and expenditure before lending to her, the PR did not raise this as an issue in the Letter of Complaint, nor at any point as far as I can tell until May 2025 – almost six years later. In the interests of fairness, I think the Lender should have the opportunity to respond if that is an issue Mrs M wishes to raise. In which case, it's open for her to contact the Lender about that matter directly if she hasn't already.*

*Overall, therefore, I don't think that Mrs M's credit relationship with the Lender was 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 now says the credit relationship with the Lender was unfair to him. And that's the suggestion that Fractional Club membership was marketed and sold to him 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 Mrs M'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 Mrs M 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 Mrs M the prospect of a financial return – whether or not, like all investments, that was more than what she 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.<sup>3</sup>*

*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 Mrs M 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 her as an investment, i.e. told her or led her to believe that Fractional Club 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 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 Mrs M, 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 Mrs M 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 Mrs M rendered unfair?***

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<sup>3</sup> The PR has argued that Fractional Club membership amounted to an Unregulated Collective Investment Scheme, however this was considered and rejected in 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).

*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 Mrs M 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 Mrs M and the Lender that was unfair to her and warranted relief as a result, whether the Supplier's breach of Regulation 14(3) led her 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 Mrs M decided to go ahead with her purchase. I say that because:*

- The allegation that the Fractional Club membership was marketed and sold as an investment in breach of Regulation 14(3) wasn't raised by the PR until November 2023, in response to our Investigator's assessment. It specifically referenced Shawbrook & BPF v FOS which confirmed an ombudsman could find there was an unfair relationship created by such a breach if this was material to a consumer's decision to purchase.*
- Earlier in November 2023, the PR provided a copy Statement of Truth, signed by Mr R and Mrs M and dated 7 June 2019. This included the following in relation to what she was told about Fractional Club membership – none of which suggests to me that the prospect of making a profit from the purchase was a factor in her decision to go ahead with the purchase:*

*'The main reason, we succumbed to agree to purchase the Fractional was that the Rep on numerous times mentioned that the Fractional was an investment that we would get all our money back when it was sold in 16 years. I was told this was an investment, something that will be part of our property and we will be able to sell it when we feel that we didn't need it anymore.'*

- On 6 May 2025, the PR sent in a copy of some call notes dated 30 May 2019 on which the signed and dated Statement of Truth appears to have been based. These included the following:*

*'Explained the Fractional purchase and how enjoyable holiday plus investment on top. Profit at the end of term...'*

- On 22 May 2025, the PR provided a copy claim form completed by a third-party timeshare relinquishment company dated 24 May 2019. It records that Mr R was told he'd get 'all money back'.*

*While the suggestion is that Mrs M agreed to purchase Fractional Club membership as an investment, I don't consider that the evidence mentioned above consistently indicates that she did so for financial gain or profit. Instead, she used the phrase 'get all our money back' in her signed and dated statement, which presumably represented her best recollections of the sale. This would suggest the promise of some, or even all, of Mrs M's money back, as opposed to a profit.*

*Notwithstanding the above, I also have serious concerns as to how reliable some of the evidence provided might be. For example, in the Statement of Truth, Mrs M refers to travel restrictions related to 'the pandemic' – presumably the COVID-19 pandemic. But I fail to see how she could have known in June 2019 about a pandemic that wasn't declared by the World Health Organization (WHO) until around nine months later in March 2020.*

*As I've set out, the recollections as a whole don't indicate to me that Mrs M was induced into the purchase by a breach of the prohibition in Regulation 14(3).*

*That doesn't mean Mrs M wasn'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 as Mrs M herself doesn't persuade me that her purchase was motivated by her share in the Allocated Property and the possibility of a profit, I don't think a breach of Regulation 14(3) by the Supplier was likely to have been material to the decision she 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 Mrs M'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). On the contrary, I think the evidence suggests she would have pressed ahead with her purchase whether or not there had been a breach of Regulation 14(3). And for that reason, I do not think the credit relationship between Mrs M and the Lender was unfair to her even if the Supplier had breached Regulation 14(3).*

### **The provision of information by the Supplier at the Time of Sale**

*The PR says that Mrs M was not given sufficient information at the Time of Sale by the Supplier about membership, including about the ongoing costs of Fractional Club membership and the fact that Mrs M's heirs could inherit these costs.*

*As I've already indicated, the case law on Section 140A makes it clear that it does not automatically follow that regulatory breaches create unfairness for the purposes of the unfair relationship provisions. The extent to which such mistakes render a credit relationship unfair must also be determined according to their impact on the complainant.*

*I acknowledge that it is also possible that the Supplier did not give Mrs M sufficient information, in good time, on the various charges she could have been subject to as Fractional Club members in order to satisfy the requirements of Regulation 12 of the Timeshare Regulations (which was concerned with the provision of 'key information'). But even if that was the case, I cannot see that the ongoing costs of membership were applied unfairly in practice. And as neither Mrs M nor the PR have persuaded me that she would not have pressed ahead with her purchase had the finer details of the Fractional Club's ongoing costs been disclosed by the Supplier in compliance with Regulation 12, I cannot see why any failings in that regard are likely to be material to the outcome of this complaint given its facts and circumstances.*

*As for the PR's argument that Mrs M's heirs would inherit the on-going management charges, I fail to see how that could be the case or that it could have led to an unfairness that warrants a remedy.*

### **Conclusion**

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*In conclusion, I do not think that the Lender acted unfairly or unreasonably when it dealt with the relevant Section 75 claims, and I am not persuaded that the Lender was party to a credit*

*relationship with Mrs M under the Credit Agreement that was unfair to her for the purposes of Section 140A of the CCA – nor do I see any other reason why it would be fair or reasonable to direct the Lender to compensate her.'*

The Lender did not respond to the PD.

The PR did not accept the PD and provided some further comments and evidence it wished to be considered.

Given the above, I'm now finalising my decision.

### **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. But I would add that the following regulatory rules/guidance are also relevant:

The Consumer Credit Sourcebook ('CONC') – Found in the Financial Conduct Authority's (the 'FCA') Handbook of Rules and Guidance

Below are the most relevant provisions and/or guidance as they were at the relevant time:

- CONC 3.7.3 [R]
- CONC 4.5.3 [R]
- CONC 4.5.2 [G]

### The FCA's Principles

The rules on consumer credit sit alongside the wider obligations of firms, such as the Principles for Businesses ('PRIN'). Set out below are those that are most relevant to this complaint:

- Principle 6
- Principle 7
- Principle 8

### **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.

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

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 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 PD. So, I'll focus here on the PR's points raised in response.

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

Having reconsidered the entirety of the credit relationship between Mrs M and the Lender along with all of the circumstances of the complaint, I still 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 in relation to
3. Fractional Club membership, including the contractual documentation and disclaimers made by the Supplier;
4. The commission arrangements between the Lender and the Supplier at the Time of Sale and the disclosure of those arrangements;
5. Evidence provided by both parties on what was likely to have been said and/or done at the Time of Sale;
6. The inherent probabilities of the sale given its circumstances; and, when relevant
7. Any existing unfairness from a related credit agreement.

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

The PR has provided further comments and evidence which in my view relate to whether Fractional Club membership was marketed as an investment in breach of the prohibition in Regulation 14(3) of the Timeshare Regulations. However, as I explained in my provisional decision, while the Supplier's sales processes left open the possibility that the sales representative may have positioned Fractional Club membership as an investment, it isn't necessary to make a finding on this as it is not determinative of the outcome of the complaint. I explained that regulatory breaches do not automatically create unfairness and that such breaches and their consequences (if there are any) must be considered in the round, rather than in a narrow or technical way.

The PR's comments and evidence in this respect do not persuade me that I should uphold Mrs M's complaint because they do not make me think it's any more likely that the Supplier's breach of Regulation 14(3) led Mrs M to enter into the Purchase Agreement and the Credit Agreement.

The PR has provided its further thoughts as to Mrs M's likely motivations for purchasing Fractional Club membership. I recognise it has interpreted Mrs M's testimony differently to how I have and thinks it points to her having been motivated by the prospect of a financial gain from Fractional Club membership. But I'm not persuaded that the evidence supports the PR's position on the matter.

In my provisional decision I explained the reasons why I didn't think Mrs M's purchase was motivated by the prospect of a financial gain (i.e., a profit). And although I have carefully considered the PR's arguments in response to this, including that Mrs M relinquished an existing timeshare in favour of this Fractional Club membership and the additional context it's attempted to provide, I'm not persuaded the conclusion I reached on this point was unfair or unreasonable.

Furthermore, I pointed out in my PD that Mr R and Mrs M's Statement of Truth dated 7 June 2019 nevertheless referenced the COVID-19 pandemic of March 2020. This caused me to question just how reliable the testimony was. I'm not satisfied that the PR's response to this – that the reference was added retrospectively and does not undermine the credibility of the rest of the statement – allays these concerns.

The PR has highlighted part of 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 and BPF v FOS') suggesting from this that the term investment extends beyond profit or financial gain to the prospect of money back. I have taken Shawbrook and BPF v FOS into account when making my decision and I don't think that is what the judge intended in the paragraph the PR has highlighted. I explained in my provisional decision that the definition of investment I used was that agreed by the parties in Shawbrook & BPF v FOS and I see no reason to view this differently.

So, ultimately, for the above reasons, along with those I already explained in my PD, I remain unpersuaded that any breach of Regulation 14(3) was material to Mrs M's purchasing decision. And for that reason, I do not think the credit relationship between Mrs M and the Lender was unfair to her even if the Supplier had breached Regulation 14(3).

### **S140A conclusion**

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

### **Overall conclusion**

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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 M's Section 75 claims, and I am not persuaded that the Lender was party to a credit relationship with her under the Credit Agreement that was 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**

For these reasons, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 6 February 2026.

Nimish Patel  
**Ombudsman**