DRN-6144869

The complaint

Mrs L's complaint is, in essence, that Clydesdale Financial Services Limited trading as Barclays Partner Finance (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 L and Mr L were members of a timeshare provider (the 'Supplier') – having purchased a number of products from it over time. But the products at the centre of this complaint are their memberships of a timeshares that I'll call the 'Fractional Club' and the 'Signature Collection' – points in which Mrs L and Mr L purchased on the dates below:

- 810 fractional points ('Fractional Club membership') on 21June 2016 for £13,462 ('Purchase Agreement 1')
- 1070 fractional points ('Signature Collection membership') on 06 April 2017 for £10,500 – having traded in the 810 fractional points. ('Purchase Agreement 2')

(which, when appropriate, I'll simply refer to as the ''Purchase Agreements')

As this complaint is concerned with the purchases on 21 June 2016 and 6 April 2017, those are the 'Times of Sale' for the purposes of my decision.

Fractional Club and Signature Collection membership were asset backed – which meant they gave Mrs L and Mr L more than just holiday rights. They also included a share in the net sale proceeds of a property named on the relevant purchase agreement (which I'll refer to as the 'Allocated Property 1 and 2' or, when appropriate, the 'Allocated Properties') after their membership term ends.

Mrs L paid for their Fractional Club and Signature Collection membership fractional points by taking the following amounts of finance of from the Lender:

- £13,462 on 21 June 2016 ('Credit Agreement 1')
- £10,500 on 6 April 2017 ('Credit Agreement 2')

(which, when appropriate, I'll simply refer to as the ''Credit Agreements')

Mrs L – using a professional representative (the 'PR') – wrote to the Lender on 26 November 2021 (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.

As the Lender and Mrs L couldn't resolve the complaint, the PR referred Mrs L's complaint 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 L disagreed with the Investigator's assessment and asked for an Ombudsman's decision – which is why it was passed to me.

I issued a provisional decision dated 25 November 2025. In summary, I said I did not think the complaint ought to be upheld. I asked that if either party had any further information or evidence they wanted to be considered, to provide this by 9 December 2025.

In response to my provisional decision dated 25 November 2025, the PR argued that the payment of a commission by the Lender to the Supplier following Mrs L taking out the Credit Agreement led to an unfair credit relationship. This has been raised for the first time following the aforementioned provisional decision, so after I'd consider the comments from the PR, I decided to issue a further provisional decision for both parties to consider. I said I would address the comments that I have already received from the PR – along with any other comments I receive in relation to my further provisional decision – in my final decision.

In my provisional decision dated 20 January 2026 I said:

"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 think this complaint should be upheld.

However, before I explain why, I want to make it clear that my role as an Ombudsman is not to address every single point that has been made to date. Instead, it is to decide what is fair and reasonable in the circumstances of this complaint. So, if I have not commented on, or referred to, something that either party has said, that does not mean I have not considered it.

Section 75 of the CCA: the Supplier's misrepresentations at the Times of Sale

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 and Signature Collection membership had been misrepresented by the Supplier at the Times of Sale because Mrs L and Mr L 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 and Signature Collection 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.*

However, neither points 1 nor 2 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 a honestly

held opinion as there isn't any accompanying evidence to persuade me that the relevant sales representative(s) said something that, while an opinion, amounted to a statement of fact that they did not hold or could not have reasonably held.

As for points 3 and 4, while it's possible that Fractional Club and Signature Collection membership was misrepresented at the Time of Sale for one or both of those reasons, I don't think it's probable. They're given little to none of the colour or context necessary to demonstrating 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 and Signature Collection membership was misrepresented for these reasons, I don't think it was.

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

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

I've already explained why I'm not persuaded that Fractional Club and Signature Collection membership was actionably misrepresented by the Supplier at the Times of Sale. But there are other aspects of the sales processes that, being the subject of dissatisfaction, I must explore with Section 140A in mind if I'm to consider this complaint in full – which is what I've done next.

Having considered the entirety of the credit relationships between Mrs L and the Lender along with all of the circumstances of the complaint, I don't think the credit relationships between them were likely to have been rendered unfair for the purposes of Section 140A.

When coming to that conclusion, and in carrying out my analysis, I have looked at:

1. *The standard of the Supplier's commercial conduct – which includes its sales and marketing practices at the 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 Fractional Club membership, including the contractual documentation and disclaimers made by the Supplier;*
3. *The commission arrangements between the Lender and the Supplier at the Time of Sale and the disclosure of those arrangements;*
4. *Evidence provided by both parties on what was likely to have been said and/or done at the Time of Sale;*
5. *The inherent probabilities of the sale given its circumstances; and, when relevant*
6. *Any existing unfairness from a related credit agreement.*

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

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

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

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

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

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

I acknowledge that Mrs L and Mr L may have felt weary after sales processes that went on for a long time. But they say little about what was said and/or done by the Supplier during their sales presentations that made them feel as if they had no choice but to purchase Fractional Club and Signature Collection membership when they simply did not want to.

They were also given a 14-day cooling off period and they have not provided a credible explanation for why they did not cancel their membership during that time. Moreover, they did go on to upgrade their Signature Collection membership at a later date – which I find difficult to understand if the reason they went ahead with the purchases in question was because they were pressured into them. And with all of that being the case, there is insufficient evidence to demonstrate that Mrs L - and Mr L - made the decisions to purchase Fractional Club and Signature Collection membership because their ability to exercise that choice was significantly impaired by pressure from the Supplier.

Overall, therefore, I don't think that Mrs L's credit relationships with the Lender were rendered unfair to her under Section 140A for any of the reasons above. But there is another reason, perhaps the main reason, why the PR says the credit relationships with the Lender were unfair to her. And that's the suggestion that Fractional Club and Signature Collection membership were marketed and sold to her 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 L's Fractional Club and Signature Collection membership met the definition of a "timeshare contract" and each 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 Times of Sale – saying, in summary, that Mrs L and Mr L were told by the Supplier that Fractional Club and Signature Collection memberships were the type of investments 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.

Shares in the Allocated Properties clearly constituted investments as they offered Mrs L and Mr L 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 and Signature Collection. They just regulated how such products were marketed and sold.

To conclude, therefore, that Fractional Club and Signature Collection memberships were marketed or sold to Mrs L and Mr L as investments in breach of Regulation 14(3), I have to be persuaded that it was more likely than not that the Supplier marketed and/or sold memberships to them as an investment, i.e. told them or led them to believe that Fractional Club and Signature Collection 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 and Signature Collection membership was marketed and/or sold by the Supplier at the Times 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 and Signature Collection as an 'investment' or quantifying to prospective purchasers, such as Mrs L and Mr L, the financial value of their share in the net sales proceeds of the Allocated Properties 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 and Signature Collection membership as an investment. So, I accept that it's equally possible that Fractional Club and Signature Collection membership were marketed and sold to Mrs L and Mr L as an investments 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.

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

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

In their witness statement, dated 20 December 2023, Mrs L and Mr L say, about their June 2016 Fractional Club membership:

'[Fractional Club membership] would be an investment giving us holidays anywhere we chose. As fractional owners our investment would be fully protected and at the end of the term we could sell and recoup our money whilst enjoying holidays in the meantime; a win-win situation for all parties."

In respect of their Signature Collection membership in April 2017, Mrs L and Mr L say;

'…we returned to sample a holiday in 'our' apartment only to discover that it was nothing like the ones that we had been shown nor in the same location. During a subsequent meeting with a representative, which lasted a whole day, it was agreed that the room was not ideal, and we were told our option would be to upgrade. This new room would have better facilities would be easier [to] pass on.'

But on my reading of the evidence before me, the prospect of a financial gain from Fractional Club and Signature Collection membership was not an important and motivating factor when Mrs L and Mr L decided to go ahead with their purchases. In their own words they talk about Fractional Club membership giving them holidays where they chose. And, in relation to their Signature Collection membership, that this would provide them with a new room with better facilities.

That doesn't mean they weren't interested in a share in the Allocated Properties. After all, that wouldn't be surprising given the nature of the product at the centre of this complaint. Indeed, in their witness statement they mention they could sell and recoup their money whilst enjoying their holidays, and that this was a win, win for them.

In my view, these are limited references to 'investing' which form only a small part of a very brief statement. The comments also fall quite far below the more explicit allegations made by the PR in the Letter of Complaint and do not persuade me the prospect of a financial gain from their memberships was an important and motivating factor when Mrs L and Mr L decided to go ahead with their purchases in June 2016 and April 2017. And, I think that if purchasing an investment for profit or gain was high on their priorities when deciding to

buy, then I think they would have clearly said so, and explained how the Supplier explained this to them.

Regardless of this, it was only after the Investigator issued their view, and after the judgment in R (on the application of Shawbrook Bank Ltd) v Financial Ombudsman Service Ltd and R (on the application of Clydesdale Financial Services Ltd (t/a Barclays Partner Finance)) v Financial Ombudsman Service [2023] EWHC 1069 (Admin) ('Shawbrook & BPF v FOS') was handed down, that Mrs L and Mr L recalled that the Supplier led them to believe that Fractional Club and Signature Collection memberships offered them the prospect of a financial gain.

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

But as Mrs L and Mr L themselves don't persuade me that their purchases were motivated by their shares in the Allocated Properties and the possibility of a profit, I don't think breaches of Regulation 14(3) by the Supplier were likely to have been material to the decisions Mrs L and Mr L ultimately made.

Taking all of this into account, 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 L and Mr L's decisions to purchase Fractional Club and Signature Collection membership at the Times of Sale were motivated by the prospect of a financial gain (i.e., a profit). On the contrary, I think the evidence suggests they would have pressed ahead with their purchases whether or not there had been a breach of Regulation 14(3). And for that reason, I do not think the credit relationships between Mrs L and the Lender were unfair to her even if the Supplier had breached Regulation 14(3).

Undisclosed commission

In response to my {provisional decision} dated 25 November 2025, the PR says that a payment of commission from the Lender to the Supplier at the Time of Sale should lead me to uphold this complaint because, simply put, information in relation to that payment went undisclosed at the Time of Sale.

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

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

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

1. *The size of the commission (as a percentage of the total charge for credit). In*

Mr Johnson's case it was 55%. This was "so high" and "a powerful indication that the relationship…was unfair" (see paragraph 327);
2. *The failure to disclose the commission; and*
3. *The concealment of the commercial tie between the car dealer and the lender.*

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

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

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

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

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

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

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

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

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

Section 140A: Conclusion

Given all of the factors I've looked at in this part of my decision, and having taken all of them into account, I'm not persuaded that the credit relationship between Mrs L and the Lender under the Credit Agreement and related Purchase Agreement was unfair to her. And as things currently stand, I don't think it would be fair or reasonable that I uphold this complaint on that basis.

My provisional decision

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 L's Section 75 claims, and I am not persuaded that the Lender was party to credit relationships with her that were unfair to her for the purposes of Section 140A of the CCA. And having taken everything into account, I see no other reason why it would be fair or reasonable to direct the Lender to compensate her."

The deadline for both parties to provide any further comments or evidence for me to consider was 10 February 2026.

The Lender responded to my provisional decision dated 20 January 2026 and accepted it.

Neither the PR nor Mrs L responded to my provisional decision dated 20 January 2026.

Having received the relevant responses from both parties, 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.

As outlined in my provisional decision dated 20 January 2026, I addressed the concerns the PR raised that the payment of a commission by the Lender to the Supplier led to an unfair credit relationship and I addressed various other points of complaint at the same time.

The PR hasn't made any further comments in relation to those issues. 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 dated 20 January 2026.

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.

In the main, the PR's comments relate to the issue of whether the credit relationship between Mrs L and the Lender was unfair. In particular, the PR provided comments in relation to whether the membership was sold to Mrs L and Mr L as an investment at the Time of Sale.

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

The PR explained in their response to my provisional decision dated 25 November 2025 that they hadn't shared the Investigator's view on this complaint with Mrs L, saying "*this was done in order not to influence their recollections*".

The PR also said that Mrs L hadn't heard about the judgement handed down in *Shawbrook and BPF v FOS*[1]. The PR said this means Mrs L and Mr L's recollections have not been influenced by either the Investigator's view or the aforementioned judgment.

Part of my assessment of the witness statement was to consider *when* it was written, and whether it may have been affected by external factors such as the widespread publication of the outcome of *Shawbrook and BPF v FOS*. I still consider this is an important consideration in this case.

I have thought about what the PR has said, but taking everything into account, I don't find it a credible explanation of the contents of Mrs L's evidence. Here, the PR responded to our Investigator's view to say that Mrs L and Mr L alleged that Fractional Club and Signature Collection membership had been sold to them as an investment and provided evidence from Mrs L and Mr L to that effect – their witness statement. I fail to understand how Mrs L disagreed with the Investigator's view on the basis that the timeshare was sold as an investment if she didn't know our Investigator's conclusions. It follows, I think it more likely than not, that Mrs L did know about our Investigator's view before the evidence was provided.

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

The PR says that my analysis of Mrs L and Mr L's witness statement ignores that they confirm that the purchases they made were described as investments, offering returns, backed by fractional rights certificates. The PR says this alone demonstrates that investment expectations applied to both transactions and that Mrs L and Mr L understood both purchases to be investment products. And, that the fractional certificates were presented as evidence of ownership, entitling them to a return of their investment. The PR says this is strong, unequivocal evidence of financial motivation that I failed to consider, and indicates that I did not consider all evidence, did not assess the statement holistically, and relied on selective excerpts to justify a conclusion.

I have fully considered Mrs L and Mr L's brief witness statement dated 20 December 2023. Having done so, I remain of the opinion that references to *'investing'* - which form only a small part of a very brief statement that was provided after the outcome of Shawbrook and BPF v FOS - fall quite far below the more explicit allegations made by the PR in the Letter of Complaint. They do not persuade me the prospect of a financial gain from their memberships was an important and motivating factor when Mrs L and Mr L decided to go ahead with their purchases in June 2016 and April 2017.

As I explained in my provisional decision dated 20 January 2026, Mrs L and Mr L's witness statement only briefly mentions 'investment', and what they say doesn't persuade me that the fractional certificates were presented as evidence of ownership, entitling them to a return of their investment. That doesn't mean they weren't interested in a share in the Allocated Properties, but I do think that if purchasing an investment for profit or gain was high on their

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[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) ('*Shawbrook & BPF v FOS*').

priorities when deciding to buy, then they would have clearly said so, and explained how the Supplier explained this to them.

I remain unpersuaded that the evidence suggests that Mrs L and Mr L purchased Fractional Club and Signature Collection memberships in whole, or in part, down to any breach of Regulation 14(3).

So, ultimately, for the above reasons, along with those I already explained in my provisional decision dated 20 January 2026, I remain unpersuaded that any breach of Regulation 14(3) was material to Mrs L and Mr L's purchasing decision.

S140A conclusion

Given all of the factors I've looked at in this part of my decision, and having taken all of them into account, I'm not persuaded that the credit relationship between Mrs L 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.

Conclusion

In conclusion, given the facts and circumstances of this complaint, I do not think that the Lender acted unfairly or unreasonably when it dealt with Mrs L'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 the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 11 March 2026.

Paul Lawton
Ombudsman