

The complaint

Mrs S and Mr L say Shawbrook Bank Limited ('Shawbrook') has unfairly declined their claim under section 75 of the Consumer Credit Act 1974 ('CCA'). And they say their creditor-debtor relationship with Shawbrook was unfair to them under section 140A of the CCA.

What happened

In August 2016, Mrs S and Mr L purchased a timeshare membership – which I'll call 'Fractional Club membership' – from a timeshare provider (the 'Supplier'). The membership was asset backed – which means it gave Mrs S and Mr L more than just holiday rights. It included a share of the net sale proceeds of a property named on the purchase agreement (the 'Allocated Property') after the membership term ended. It cost £13,865. Mrs S and Mrs L borrowed the full amount from Shawbrook to pay for it.

In October 2019, Mrs S and Mr L – using a professional representative ('PR') – wrote to Shawbrook (the 'Letter of Claim') to make a claim under sections 75 and 140A of the CCA. Specifically, the Letter of Claim said:

- The way the Supplier sold the Fractional Club membership to Mrs S and Mr L was prohibited by the Timeshare, Holiday Products, Resale and Exchange Contracts Regulations 2010 (the 'Timeshare Regulations').
- Mrs S and Mr L were subject to a long 'high pressure sale'; the Supplier refused to accept 'no'; Mrs S and Mr L were told the offer was only available that day; and, Mrs S and Mr L were misled about the benefits of membership.
- The ability of the Supplier to determine the annual maintenance fees is unfair.
- The Supplier didn't 'adhere' to the Resort Developments Organisation ('RDO') Code of Ethics.
- The Supplier misrepresented Fractional Club membership: it misled Mrs S and Mr L about the quality of the accommodation available; and, it told them that they were investing in holidays and beating inflation.

The PR also requested details of any commission paid by Shawbrook to the Supplier.

Shawbrook dealt with the Letter of Claim as a complaint and issued its final response letter on 12 November 2019. It rejected the complaint on every ground.

Mrs S and Mr L's PR then referred the complaint to our service.

One of our investigators rejected the complaint on its merits.

The PR asked that an ombudsman make a final decision.

I issued a provisional decision on 23 January 2026, which explained why I didn't intend to uphold this complaint. It included the following provisional findings:

I'm not currently minded to uphold this complaint.

Before I explain why, I want to make it clear that my role as an ombudsman isn't to address every single point that's been made to date – it's to decide what's fair and reasonable in the circumstances of this complaint. So if I haven't commented on, or referred to, something that either party has said, it doesn't mean I haven't considered it.

Section 75

Section 75 of the CCA protects consumers who buy goods and services on credit. It says, if certain conditions are met, that the finance provider is legally answerable for any misrepresentation or breach of contract by the supplier. A misrepresentation is an untrue statement made by one party to another that induces that party to enter into a contract.

In the Letter of Claim, the PR says the Supplier:

- (1) misled Mrs S and Mr L about the quality of the accommodation available; and,*
- (2) told them that they were investing in holidays and beating inflation.*

However, the PR hasn't provided any first-hand testimony from Mrs S or Mr L or any other evidence to support either allegation. Essentially, they're bare allegations. What's more, the PR's submissions are that Mrs S and Mr L complained about the quality of the accommodation in July 2017 and were moved to 'more suitable accommodation'. As alleged, I can't discern an actionable misrepresentation (or breach of contract). As there isn't any evidence that Fractional Club membership was misrepresented in the way alleged, I don't think it was.

Section 140A

Section 140A says a court may make an order if it thinks the relationship between a creditor and a debtor is unfair to the debtor. It's deliberately framed in wide terms, and a finding of unfairness can flow from something done on the creditor's behalf in connection with a 'related agreement'. Here, the purchase agreement is a 'related agreement'. And, by virtue of section 56 of the CCA, Shawbrook is legally answerable for the Supplier's actions.

Having considered the entirety of the relationship, I don't think it was unfair for the purposes of section 140A. In reaching this conclusion, I've considered:

- (1) The standard of the Supplier's commercial conduct, which includes its sales and marketing practices at the time of sale, and any relevant training material.*
- (2) The information provided by the Supplier at the time of sale, including the contracts and any disclaimers made by the Supplier.*
- (3) The commission arrangements between Shawbrook and the Supplier at the time of sale and the disclosure of those arrangements.*
- (4) All the evidence provided by both parties on what was supposedly said and/or done at the time of sale.*
- (5) The inherent probabilities of what's likely to have happened given the circumstances of each sale.*

The Supplier's sales and marketing practices at the time of sale

There are several reasons why Mrs S and Mr L say their creditor-debtor relationship with Shawbrook was unfair to them.

The PR says Mrs S and Mr L were subject to a long, 'high pressure' sale and the Supplier refused to accept 'no'. There's a dispute about how long the sale lasted. The PR says Mrs S and Mr L were collected by the Supplier's representative and offered breakfast, and that the

presentation lasted '12 hours'. It says the Supplier only let them leave on condition that they return the next day – and collected them at 8.45am. The PR says Mrs S and Mr L had decided to say no, but when they told the Supplier this, they were taken to an office and, according to the PR, 'felt that they just couldn't get out of the office unless they signed the agreement'. The Supplier says Mrs S and Mr L attended a presentation in the afternoon and not first thing in the morning as alleged. It says the presentation started at 4.19pm and ended at 9.12pm – so it lasted just under 5 hours, not 12 hours as alleged. And it says Mrs S and Mr L weren't collected the next day at 8.45am: the Supplier says they met with a compliance officer in his office at 6.45pm and left at 7.15pm. Neither side has provided any evidence to support their submissions. I'm mindful that Mrs S and Mr L were given a 14-day cooling off period and they haven't provided a credible explanation for why they didn't cancel their membership. In the circumstances, I've simply seen insufficient evidence to conclude that Mrs S and Mr L only purchased the timeshare membership because their ability to exercise choice was significantly impaired by pressure from the Supplier.

The PR also says that there are some unfair contract terms in the purchase agreement. Specifically, it says one of the 'principal areas' of unfairness concerns the annual maintenance fees. It says the 'ever increasing nature' of the fees at a level that outstrips inflation 'only serves to underline the unfair relationship'. However, the PR hasn't provided any information about the annual maintenance fees that Mrs S and Mr L had to pay, nor has it provided any evidence to show that any terms were operated unfairly against Mrs S and Mr L or led them to behave in a way that was to their detriment. I'm therefore not persuaded that any of the terms governing the Fractional Club membership are likely to have led to an unfairness that warrants a remedy.

Overall, therefore, I don't think that Mrs S and Mr L's credit relationship with Shawbrook was rendered unfair to them under section 140A for any of the reasons above.

The information provided by the Supplier at the time of sale

The PR says Mrs S and Mr L weren't given sufficient information at the time of sale by the Supplier – although it hasn't particularised in what way they weren't given sufficient information.

I accept it's possible that the Supplier didn't give Mrs S and Mr L sufficient information, in good time. But Mrs S and Mr L haven't persuaded me that they wouldn't have purchased Fractional Club membership if they'd been given more information about it, or otherwise persuaded me that the relationship was unfair because of the information the Supplier did or did not disclose.

Finally, I note that the PR requested details of any commission paid by Shawbrook to the Supplier. Shawbrook has confirmed that it didn't pay the Supplier any commission, so there's no way the credit relationship was rendered unfair for this reason.

Section 140A conclusion

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

Overall conclusion

In conclusion, given the facts and circumstances of this complaint, I don't think Shawbrook acted unfairly when it declined Mrs S and Mr L's section 75 claim. And I'm not persuaded

that Shawbrook was party to a credit relationship with them under the credit agreement and related purchase agreement that was unfair to them for the purposes of Section 140A of the CCA. And having taken everything into account, I see no other reason why it would be fair to direct Shawbrook to compensate Mrs S and Mr L.

I asked both parties to provide any further comments or evidence for me to consider by 6 February 2026.

Shawbrook says it accepts my provisional decision.

The PR didn't respond at all.

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.

As neither party has provided any further information or evidence for me to consider, I confirm my provisional findings. My reasons remain the same.

My final decision

For the reasons given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mrs S to accept or reject my decision before 16 March 2026.

Christopher Reeves
Ombudsman