

The complaint

Mr A complains that Lloyds Bank PLC changed the terms of his loan after he'd taken it out, did not offer him a cooling off period and did not send him the requested copy of the credit agreement.

What happened

Mr A says he took out a loan for £8,228 with Lloyds in February 2023, having modelled different loans and terms with its online tool. He says the loan he chose had an interest rate of 9.5% with monthly repayments of £278 for three years. Mr A says that after a few months he noticed he was being charged 29.7% over four years and asked Lloyds for proof of the original agreement. He says that Lloyds has been unable to provide the proof and he never received any correspondence showing a 29.7% interest rate over four years. He adds that he was also not given a 14-day cooling off period.

Lloyds says it sent Mr A its final response regarding the terms of his loan on 24 October 2024. It adds that a further final response was sent about the non-receipt of the requested credit agreement on 10 January 2025. It says it sent Mr A a copy of the credit agreement by post on 6 December 2024 as requested, but also emailed it to him on 13 January 2025 when he said he hadn't received it.

Our investigator did not recommend the complaint should be upheld. He explained that Mr A had six months to refer his complaint to this service after he'd received a final response and, therefore, his complaint about the terms of the loan was referred too late. With regard to non-receipt of the loan agreement, our investigator was satisfied that Lloyds had sent this by both post and email and could not conclude it had made an error. He acknowledged that Lloyds no longer had evidence of the email that was sent at the beginning of the loan agreement, but was satisfied that its process would not have allowed funds to be released until Mr A had signed to confirm he'd read the terms of the agreement, including the 14-day cancellation rights.

Mr A responded to say, in summary, that the email/message he received on 1 February 2023 doesn't mention term of the loan, only the monthly repayment. He adds that no documentation exists to support a 48-month term.

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.

Incorrect interest rate

Mr A initially complained to Lloyds that he was being charged interest at the wrong rate on his loan in October 2024. Lloyds sent him its final response to that complaint on 24 October 2024 and I have seen a copy of the letter.

The rules say that I can't consider a complaint which is referred to this service more than six months after the date the business sends the complainant its final response letter advising them they may refer the complaint to this office. Dispute Resolution rule 2.8.2R (1) can be found in the regulator's handbook of rules and guidance.

As Lloyds issued its final response to this part of Mr A's complaint on 24 October 2024, he had until 24 April 2025 to refer the matter to this service. The letter clearly states that Mr A had six months in which to refer his complaint to the Financial Ombudsman Service.

Although Mr A has stated that he was unaware of a final response dated 24 October 2024, Lloyds has provided evidence that it was sent and Mr A did not deny receiving it when emailing this service on 15 July 2025 "*with details of final response letters*".

In addition, I have seen Lloyds' contact notes which say Mr A called on the morning of 24 October 2024, the complaint outcome was discussed with him, and he was told about his rights to refer his complaint to the Financial Ombudsman Service.

In summary, as Mr A's complaint was received here on 5 July 2025, and I'm satisfied that Lloyds sent him its final response on 24 October 2024, I cannot consider his complaint about the interest rate that Lloyds applied to his loan.

No cooling off period

Mr A further complained that by not sending him full details of the loan terms, he was denied the opportunity to cancel the loan within the 14-day cooling off period. I am satisfied that Lloyds did not address this in its final response dated 24 October 2024, so I can consider that aspect of his complaint.

I understand that Lloyds has not retained the actual email that was sent to Mr A at the commencement of his loan, and that Mr A is saying the only information he received included the repayment amount, but not the interest rate or term. As a result, he says, he also did not receive notification of his 14-day cooling off period.

Where the evidence is incomplete or contradictory, as some of it is here, I must make my decision based on the balance of probabilities – that is what I consider to be more likely to have happened.

Lloyds has sent information to show that, during his online loan application, Mr A would have ticked the box to agree to the conditions of the loan agreement, including the interest rate, in order to obtain the funds.

I have also seen the contact notes from 1 February 2023 which confirm that the fulfilment letter was sent to Mr A, along with the credit agreement which clearly shows the interest

rate, term and repayments. The credit agreement also says, *“You have the right to withdraw from this agreement up to 14 days after we give you the money.”*

I have also considered the figures Mr A has provided about the loan terms he said he'd agreed to. As he accepted the monthly repayment was what he was expecting, over three years the APR on an £8,228 loan would have been around 14%, and not the 9.5% Mr A quoted. This inconsistency makes it unlikely he signed the terms he now says he agreed.

Therefore, I consider it more likely than not that Lloyds did send Mr A the relevant loan documentation, including information about the 14-day cooling off period.

Receipt of copy loan agreement

Finally, I've also considered Mr A's complaint about not receiving the copy of the loan agreement he'd requested in December 2024. I've seen evidence that Lloyds sent this and, although there appeared to be a delay with the postal service, Mr A confirmed to Lloyds, on 28 January 2025, that he'd received both the posted copy and the additional copy sent via email. So, I can't conclude that Lloyds made an error here.

In summary, I cannot consider Mr A's complaint about the interest rate charged on his loan as it was referred to this service too late. Based on all the evidence I've seen, I'm satisfied that Lloyds did send the fulfilment letter, including his cancellation rights, to Mr A on 1 February 2023, and that he received copies of the loan agreement as requested.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 March 2026.

Amanda Williams
Ombudsman