

The complaint

Ms F complains that a car finance agreement was misrepresented to her by ITC Compliance Limited (“ICL”).

What happened

In August 2025 Ms F entered into negotiations with a retailer for the part exchange of her car and the purchase of a new used car on a new finance agreement. Ms F said that she wanted a smaller car with lower payments.

Ms F said that she was not aware that the part exchange value of her car wouldn't be enough to settle the existing finance agreement. She said it didn't make economic sense to part exchange the car, considering how much she had left to pay, and she's been left paying more overall. Ms F said that she realised that the new finance agreement included a sum which had been used to settle her old finance agreement. As this increased her payments she complained to ICL as she said it wasn't made clear

ICL said that it authorised the retailer to provide the relevant paperwork and pre contractual credit information which set out the terms of the part exchange including the purchase price and settlement amount for the previous loan. It said as all the information had been provided clearly it did not uphold the complaint.

Ms F referred her complaint to the Financial Ombudsman Service. An investigator here considered the complaint. He thought that the pre-sale documents clearly set out the amounts involved and the terms of the agreement. He didn't think ICL had treated Ms F unfairly or that the agreement had been mis-sold.

Ms F didn't agree. In summary she said:

- She was told the old car would be paid off, and the negative equity wasn't pointed out to her. None of the sales representatives explained how her deposit would be used. The sales representative also wrote her annual pay down. She should have surrendered the car when that agreement ended and then she wouldn't have lost out.

As an agreement couldn't be reached the complaint has been passed to me to make a decision.

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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide

matters quickly and with minimum formality. But I want to assure Ms F and ICL that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I need to explain that I'm unable to marshal evidence or sworn testimony in the way that a court can. I'm reliant on the evidence put before me, and in this case the most compelling evidence is the paperwork that was completed at the point of sale.

In its role as a credit broker ICL were required to ensure that the content of the pre-contractual information was clear, fair and not misleading. I need to differentiate between the actions of the retailer in wanting to sell a car, and what the credit broker is required to do. ICL needed to make sure that the information it provided to Ms F was sufficient and presented in such a way that it is likely to be understood by the average consumer to which it was directed.

Like our investigator I've considered whether there is a clear false statement that was made by ICL. I've not seen any compelling evidence that there was. But it seems that by entering into the agreement Ms F was able to fulfil her objective of making her monthly payments lower. So, I don't think there was something that ICL said which turned out not to be true.

Having considered the paperwork provided I think the relevant information on the agreed purchase price of the car, the settlement of the old agreement, and the amount of the new finance agreement have all been set out clearly. The shortfall for the old agreement was clearly set out. So, I'm not persuaded that the agreement was mis sold for the reasons Ms F has said. The paperwork seems clear as to the transaction that has taken place, and I'm not persuaded that Ms F has been misled.

Ms F has also suggested that ICL ought to have considered whether she could afford the agreement. But our investigator has explained that is a complaint that she can make to the lender, so I'm not dealing with that in this decision. Ms F might also be able to discuss exit options with the lender.

I understand Ms F's concerns that she had other options available to her, which included keeping her existing car. And these options might have meant that she paid less overall. That might be so, but it doesn't mean that the new finance agreement was mis-sold. ICL did enough to present the information to Ms F to enable her to make an informed decision on whether to proceed. I haven't seen anything to indicate undue pressure was placed on Ms F to proceed with the transaction, and she's signed to acknowledge that she's seen and understood the documents. Based on what I've seen, I don't find that ICL treated her unfairly, so I don't have grounds to direct it to do anything here.

I appreciate that will come as a disappointment to Ms F, but she doesn't need to accept my decision and then she'll be free to pursue the complaint by other means such as through the court, after getting legal advice as necessary.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 6 May 2026.

Caroline Kirby

Ombudsman