

The Complaint

Mr B complains that Nationwide Building Society (“Nationwide”) didn’t fairly or reasonably deal with a claim he made under Section 75 of the Consumer Credit Act 1974 (“the CCA”) in relation to a product bought, in part, using a credit card on 27 January 2016.

What happened

Mr B attended a meeting with Silverpoint Vacations SL (“Silverpoint”) in January 2016. Acting on what he says he was told, he entered into arrangements with Silverpoint. Under those arrangements, he acquired a one-tenth share in a Spanish company (“the Company”) set up for the purpose of holding the property. The Company in turn entered into separate agreements with Silverpoint Vacations SL (“Silverpoint”), under which Silverpoint would (i) manage and service the property and (ii) set up and run a rental programme, including marketing. Mr B also entered into a Shareholders’ Agreement with Silverpoint.

The cost of the arrangement was €11,759. Mr B made a part payment using his credit card of £2,114.52 and the remaining balance was paid via bank transfer.

In November 2021, using a professional representative (“PR”), Mr B made a claim to Nationwide (“Letter of Complaint”) for misrepresentation and a breach of contract under Section 75 of the CCA. The nature of the claims is known to all parties, so I won’t repeat them here.

In May 2022, Nationwide rejected the claim on the basis that Mr B had not provided evidence to support his alleged misrepresentations and/or breach of contract claim.

The complaint was 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.

Mr B 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 (my ‘PD’). In that decision I said:

“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.

On my reading of this complaint, it only relates to claims for misrepresentation and breach of contract under Section 75 of the CCA. So, the substance of this complaint is confined, in my view, to the allegations of misrepresentation and breach of contract and the reasons for it.

The Letter of Complaint did include an allegation of commission in that Mr B was unhappy that the payment of commission went undisclosed. However, I don't believe any commission arrangements would have existed between Nationwide and the Supplier based on the nature of the payment made here. Mr B chose to pay using his credit card and I'm not aware of any arrangements that would have meant Nationwide received a commission payment as a result of this payment.¹

Section 75 of the CCA: the Supplier's misrepresentations at the Time 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. Nationwide 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.

From my understanding of this complaint, it appears Mr B is unhappy that his agreement was misrepresented to him as he was told the property would be available for resale soon.

As I've mentioned earlier, Mr B owned a share ('participation') in a Company which in turn owned certain rights of a property. Mr B claims to be told that the property would be available for resale soon but there's no clear information within the paperwork I've been provided with, which explains how the sale of the property in question works and how in turn Mr B would receive the proceeds of that sale.

I emailed the PR on 16 March 2026 to request further information about what he may have been told about this aspect of his agreement and if he had any information to supply which would help me understand what he was told. Unfortunately, Mr B hasn't provided any information in support of that claim and I'm not persuaded that his testimony alone is sufficient to suggest such a promise was made.

So, while I recognise that Mr B and the PR have concerns about the way in which his agreement 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 Nationwide 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

¹ Neither party disagreed with my findings in relation to this matter following my PD.

to say that, if I find that the Supplier is liable for having breached the Purchase Agreement, the Lender is also liable.

In the Letter of Complaint, Mr B says as a result of Silverpoint being in liquidation, it can no longer fulfil the terms of his agreement.

Based on the documentation I've seen, it appears like The Rental Programme Agreement and the Services and Management Agreement was set up to last for a minimum of three years. As Mr B entered his agreement in 2016, this would suggest that the agreements were running for that minimum period stipulated within the terms of the agreement prior to Silverpoint's liquidation in 2020.

My email to the PR also requested further information from Mr B specifically what term(s) he felt had been breached as a result of Silverpoint's liquidation but Mr B has not provided this information in his response.

I understand the company Mr B has purchased a share in still exists. Silverpoint was the director of the Company Mr B purchased. So, after Silverpoint's liquidation, it is my understanding that another company would have taken over the management of the company. Mr B hasn't provided me with any further information or commentary about how his membership has been impacted as a result of Silverpoint's liquidation nor has he provided me with any documentary evidence to support his allegation that there has been a breach of contract.

Based on this, it's difficult for me to conclude that Nationwide should be responsible for a breach of contract claim as I have not seen any evidence to support such an allegation.

Breach of Section 19 of Financial Services and Markets Act 2000 ("FSMA")

In response to our Investigator's findings, Mr B's representatives said they now thought the purchase wasn't for a timeshare product and that it therefore constituted a CIS under Section 235 of the FSMA. And as a consequence, a breach of Section 19 of the FSMA.

This point appears to have been raised for the first time and wasn't included as a concern within the claim made to Nationwide. A breach of the FSMA doesn't, in my opinion, constitute a misrepresentation or breach of contract claim under Section 75. In the event that Mr B wishes to pursue that allegation, I believe it should be presented as a separate claim and/or complaint. I can't see that has happened here. So, Nationwide haven't been given fair opportunity to investigate and respond. Because of that, I don't believe it would be fair or reasonable for me to consider that particular allegation further as part of the complaint I'm considering here."

PR on behalf of Mr B confirmed receipt of my PD and said they had nothing further to add. The Lender also acknowledged receipt of my PD and had nothing further to add.

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 new evidence or arguments, I do not believe there is any reason for me to reach a different conclusion from that which I reached in my PD (outlined above). I do wish to stress that I have considered all the evidence and arguments afresh before reaching that conclusion.

Given the facts and circumstances of this complaint, I do not think that the Lender acted unfairly or unreasonably when it dealt with Mr B's Section 75 claims.

My final decision

For these reasons, I do not uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 May 2026.

Sameena Ali
Ombudsman