

complaint

Mrs H complains that a fixed sum loan agreement was mis-sold to her by Decidebloom Limited, trading as Stoneacre. She says that she was only guaranteeing her daughter's loan but the loan has been made to her. Mrs H is being helped with her complaint by a representative.

background

Mrs H signed a fixed sum loan agreement in November 2012. She says that she was guaranteeing the finance for her daughter's purchase of a car from Stoneacre. But she has become aware that the agreement is in her name. She complained to Stoneacre earlier this year but wasn't satisfied with its response so complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. She had received copies of the application for finance, the finance proposal form, the customer demands & needs general insurance form, the finance & insurance acknowledgement terms of business forms and the finance agreement from Stoneacre. They were all signed by Mrs H and at no point was a guarantor mentioned. And she was satisfied that Stoneacre made those documents available to Mrs H to read before she signed them. So she was unable to recommend that the agreement be cancelled without penalty or that Mrs H's credit file be amended.

Mrs H's representative – on her behalf - has asked for this complaint to be considered by an ombudsman. It says, in summary, that:

- Mrs H's only involvement came at the end of the interview when she was asked to sign various documents to support her daughter's application;
- she wasn't given time to read them and they weren't explained to her;
- the direct debit for the payments was set up from Mrs H's daughter's account;
- Mrs H became concerned when she purchased her own car from the same dealer and realised that the documents she was provided with were the same as the documents that she thought she had signed as a guarantor; and
- she wants the loan and the car to be put into her daughter's name to match an insurance policy.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mrs H signed the fixed sum loan agreement in November 2012. It says that she was the "customer" and set out her details. Immediately above her signature are the words: *"This is a Credit Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms"*. There is no reference in the agreement, or the other documents, to Mrs H guaranteeing her daughter's loan. So I find that that the loan was made to Mrs H and that she remains responsible for it. And it wouldn't be fair or reasonable for me to require Stoneacre to transfer the agreement to Mrs H's daughter or to take any other action in response to her complaint.

my final decision

For the reasons set out above, my decision is that I don't uphold Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 1 August 2016.

Jarrold Hastings
ombudsman