

## **complaint**

Mr L complains that when he purchased a car from the dealership he was led to believe that he could transfer the conditional sale agreement to a third party and would no longer be liable for the payments. The dealer was acting as an agent for Banque PSA Finance who provided the credit.

## **background**

In April 2011 Mr L entered into a conditional sale agreement to purchase a vehicle from the dealership costing approximately £15,500. A deposit of £100 was paid and the balance was covered by credit provided by Banque PSA Finance under a conditional sale agreement. Mr L says he was told by the dealership that the agreement could be transferred into his friend's name. The vehicle was repossessed and the agreement was terminated in October 2011 because the payments due were not made.

The adjudicator did not recommend that the complaint should be upheld. She was satisfied that the conditional sale agreement was not misrepresented at the point of sale because Mr L had signed the agreement, which clearly said that the vehicle must be kept in his possession and not be transferred to anyone else. It also said that the agreement was personal to the named individual, and could not be transferred to a third party.

Mr L disagreed with the adjudicator's recommendation. He said that the dealership had broken the law and misrepresented the facts. He said he could not drive and had nothing to gain from this arrangement.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Mr L accepts that he signed the contract entering into the conditional sale agreement. Although his signature is on the direct debit mandate, he says he did not provide the dealership with his bank details, they took these off his bank card without him knowing. He says as the account concerned was a savings account only, he would not have provided these details.

He also says that the dealership accepted payment from his friend, even though it has said that payment would not be accepted from a third party because it was contrary to money laundering legislation.

It is not in dispute that the vehicle registration document was completed by the dealership in the name of Mr L's friend. But this document does not evidence legal ownership, instead it sets out who the keeper is.

I do not doubt that Mr L asked the dealership whether the conditional sale agreement could be transferred into his friend's name. I accept that the dealership may have led him to believe that this might be possible, with the consent of the finance company, and after credit

checks had been completed. But I cannot see that Mr L took steps to try and make this happen. And I am not persuaded that the dealership told him it was definitely possible. Mr L entered into a legally binding arrangement with Banque PSA Finance. He signed a contract, the terms and conditions of which explained that the arrangement was not transferrable. And whilst I accept that it was not helpful for the dealership to have registered the vehicle in Mr L's friend's name, I am not persuaded that this means that the conditional sale agreement should be treated as void from the outset. Nor do I consider that the arrangement should be regarded as unenforceable because payment was accepted from his friend, or because the dealership entered his bank details on the mandate.

I do not consider, therefore, that Banque PSA Finance has acted unreasonably or unfairly by requiring Mr L to pay the debt outstanding after the vehicle was sold.

**my final decision**

My final decision, therefore, is that I do not uphold Mr L's complaint.

Kim Parsons  
**ombudsman**