

complaint

Mr H complains that Automotive Compliance Ltd mis-sold him a conditional sale agreement. He says he didn't know he wouldn't be the registered owner of the car. He wants all his payments refunded and his credit file amended. His complaint is brought on his behalf by a third party.

background

In July 2015 Mr H and his then partner wanted a new car. His partner couldn't get finance, so he signed a conditional sale agreement. He couldn't drive, so the car was registered in his partner's name. When their relationship ended, she kept the car but he has had a default registered on his credit file and he is being pursued for repayment of the debt.

Automotive Compliance, acting on behalf of the credit broker, didn't agree that the loan was mis-sold saying that he'd asked for the car to be registered in his partner's name and signed documentation to agree this.

Our adjudicator didn't recommend that the complaint should be upheld. He concluded that Mr H had signed the conditional sale agreement and was bound by its terms and he signed the "confirmation of registration details" form saying he wanted his partner to be the registered keeper of the car.

Mr H didn't agree. His representative, on his behalf, said, in summary that:

- The lender has told Mr H that the conditional sale agreement is void and that Mr H is the legal owner.
- Before he signed the agreement he should've been told of the legal consequences in the event that his relationship ended – that the car wouldn't belong to him but he would have to make payments under the terms of the agreement.

my findings

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

This complaint is against Automotive Compliance Ltd acting for the credit broker who sold the agreement to Mr H. As such, I can only comment on the sale of the finance agreement and not the actions and obligations of the lender, including its comment that the contract is void.

It is clear from the agreement and documentation that Mr H signed that he was solely responsible for the payments under the terms of the conditional sale agreement. I don't think the business was responsible for explaining what that would mean in the event of a relationship break-up – I find it was clear from the paperwork. As such, I cannot conclude that the conditional sale agreement was mis-sold.

Under the terms of the agreement, the lender remains the legal owner of the car until all payments have been made. Mr H decided to register the car in his partner's name, so she remains the registered keeper of the car.

Whilst I sympathise with the position in which Mr H now finds himself, I cannot conclude that the agreement was mis-sold.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 December 2016.

Elizabeth Dawes
ombudsman