

complaint

Miss T has complained that Hanif Automotive Limited, trading as WLMG Nissan, misled her about the finance agreement she took out to enable her partner to purchase a car.

background

Miss T, with her partner, were viewing cars. As her partner was unable to get any credit, she took out a conditional sale agreement in her own name for a car. The car was not registered in her name.

She believes that she was told that she could transfer the agreement into her partner's name. It was on that basis that she signed up. When she attempted to do this, she was told it was not possible. She also feels that as the first credit provider turned her down, WLMG Nissan should not have tried to find another lender and that this is irresponsible.

She complained to WLMG Nissan who said that as she signed the agreement, they could not accept her complaint. She brought her complaint to the ombudsman service.

Our adjudicator felt that the written evidence showed that Miss T had read and signed the credit agreement. This did not allow her to transfer to someone else. She could not recommend upholding her complaint. Miss T has asked an ombudsman to review her complaint.

my findings

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

There are three parts to Miss T's complaint and I will consider these separately.

was Miss T misled in understanding that she could transfer the agreement to her partner?

Miss T is adamant that she could not afford to buy a car and only signed up to the credit agreement because she could transfer it a month or so later. I accept that she may have been told this but unfortunately I cannot be sure. The sales person no longer works at WLMG Nissan and the company has been unable to verify the verbal statements made to Miss T.

However what is clear is that Miss T signed the credit agreement. There is no option within this agreement to transfer it. Even if Miss T had felt unable to read the agreement thoroughly at the time, she had an opportunity to read it later and raise any query. She did not do this.

I must stress to Miss T that I don't doubt what she was told verbally but I am also aware that she signed the agreement and agreed to its terms. I can only conclude that WLMG Nissan did not mislead her.

did WLMG Nissan's actions in asking another lender to consider Miss T's application constitute irresponsible lending?

I have reviewed the evidence of both parties. I am aware that different companies lending money have different lending criteria. It is not that unusual for a business like WLMG Nissan

to try a second lender when a first application is rejected. I am satisfied that this behaviour is not irresponsible lending and therefore it would not be fair to hold WLMG Nissan liable. What I cannot say for certain is the lending criteria that Miss T's eventual lender used to assess and accept her application. But it is fair to say that is not WLMG Nissan's issue. I cannot hold WLMG Nissan for any decision that Miss T's lender made to accept her application.

was the credit agreement misrepresented?

Miss T believes that the kind of agreement that she entered into is an accommodation loan rather than a conditional sale agreement. It is clear from a copy of the agreement that it is not. I believe Miss T was told this by colleague or friend who she asked for advice and she may have misunderstood.

An accommodation loan is a certain type of loan. This would mean that a person who co-signed the agreement was guaranteeing payment in the case of the other person, who also signed it, not meeting their commitments. However I am satisfied this is not the case here. There is no evidence to show that Miss T's partner signed the agreement.

Overall I am satisfied that I cannot hold WLMG Nissan liable for Miss T's complaint. I know that this has all caused Miss T a great deal of distress and she was unable to meet the payments for the car. This resulted in the car being repossessed. I really sympathise with what has happened but it would not be fair to hold WLMG Nissan liable as I don't believe they did anything wrong.

my final decision

For the reasons stated above, my final decision is not to uphold Miss T's complaint against Hanif Automotive Limited, trading as WLMG Nissan.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss T to accept or reject my decision before 16 January 2015.

Sandra Quinn
ombudsman