

## **complaint**

Mr M complains about a vehicle he acquired through a hire purchase agreement with Mercedes-Benz Financial Services UK Limited (MBFS). He believes he was misled about the age of the vehicle and the remaining term of the manufacturer's warranty.

## **background**

Mr M took out a hire purchase agreement with MBFS to obtain a vehicle. He says he was told it was first registered in October 2013 but has since found out it was actually manufactured in 2011. He also says he was told the warranty would run until October 2016 but there was a problem when a warranty claim was submitted for repairs needed to the vehicle.

Mr M believes he's lost out because the vehicle is older than he believed and that similar older vehicles are sold for considerably less.

Mr M complained to MBFS and it explained that vehicles that are registered sometime after manufacturer have reduced warranties and this should have been explained when obtaining the vehicle. MBFS couldn't be sure that it was discussed so it agreed to cover the cost of the repairs that would have been covered under warranty.

Mr M remained unhappy and referred his complaint to us. It was considered by one of our adjudicators but he didn't think the complaint should be upheld. He didn't think Mr M had lost out because of the age of the vehicle and MBFS had agreed to consider any further problems Mr M had experienced and that would have been covered under the warranty. Mr M didn't accept the adjudicator's conclusions so the complaint has been referred to me.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've not upheld Mr M's complaint.

Mr M acquired the vehicle through a hire purchase agreement. As the provider of the vehicle and hire purchase agreement, MBFS can be held responsible if Mr M was misled about the vehicle. MBFS should also ensure the vehicle supplied meets any description that was provided before Mr M decided to proceed with the hire purchase agreement.

There's now no dispute that the vehicle was originally manufactured in 2011 but it wasn't first registered in the UK until October 2013. In most cases the year of manufacture will match the year of registration as vehicles are often manufactured and then sold and registered pretty quickly. However, the year of manufacture is different to the year of registration and some vehicles may be waiting to be registered for some time after they're manufactured.

From what I've seen in this case it's clear that the vehicle was provided with a 2013 registration, which is correct. I haven't seen anything that demonstrates that Mr M asked or was in fact misled about the year of manufacture. From what the dealership has said it's quite likely that it didn't in fact know of the difference between registration and manufacture. On balance, I don't think I can say that Mr M was misled about the year of manufacture as I haven't seen anything to show he was told it was manufactured in 2013. So I can't uphold this aspect of his complaint.

The second issue relates to the length of the manufacturer's warranty. Mr M says he was told the warranty would run until October 2016, suggesting that the dealership believed the warranty would run for three years from first registration. It's now clear however that where a vehicle isn't registered straight after manufacture, the warranty period is reduced. MBFS already accepted that it couldn't be sure Mr M was made aware of this and it has now agreed to honour the warranty period as if it was as Mr M believed. MBFS has said that its intention is to cover any warranty claims that would ordinarily have been covered up to October 2016 and I think that's reasonable in the circumstances.

Mr M did have a problem with the vehicle's air conditioning and although he was initially told he'd have to pay for the cost of repairs, this has now been met by MBFS for the reasons set out above. Mr M however says he's still experiencing problems with the air conditioning but the vehicle hasn't yet been back to see if that issue relates to the previous warranty repairs. MBFS has said that it's willing to consider this further but Mr M would need to take the vehicle back so it can be decided if this is a related issue to the earlier repairs. From what MBFS has told us, if the current issue is because of a failed previous repair the expectation is that the repair will be covered as if under a warranty claim.

If Mr M is still experiencing problems with the air conditioning I can only suggest he makes arrangements for this to be looked at further. The outcome of any investigation may need to be further considered by MBFS. I would hope that the parties can resolve any future problems relating to the air conditioning but if they can't, this may be something that we can consider further as a new complaint.

I appreciate why Mr M is unhappy about his vehicle but I'm not persuaded there's sufficient here to show he was actually misled about its age. I think he was misled about the term of the warranty but what MBFS has already done to correct this is reasonable.

### **my final decision**

My final decision is that I do not uphold Mr M's complaint against Mercedes-Benz Financial Services UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 March 2017.

Mark Hollands  
**ombudsman**