

## **complaint**

Mr C complains that Bristol Street Fourth Investments Limited mis-sold him a finance agreement. He says the interest should have been 0% APR, but later discovered that it was 19.5% APR.

## **background**

Mr C entered a fixed sum loan agreement to purchase a car for his daughter in March 2014.

Mr C says that after his daughter was declined finance on the car, he agreed to take out the finance. He explained that the car salesperson had told them that the interest would be 0% APR. In November 2014 he discovered the interest was 19.5% APR and he complained to the business. Mr C also complains that he was charged for a warranty, which he was told would be free.

Our adjudicator did not recommend this complaint be upheld. She thought that Mr C had been given the opportunity to examine the finance agreement and see that the loan was not interest free. She also thought that the documentation suggested that Mr C had been told about the option and cost of the extended warranty.

Mr C disagrees. He maintains that the finance agreement was mis-sold to him. He requests a final decision by an ombudsman.

## **my findings**

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

I hope that Mr C does not think I am being discourteous, if I do not respond to every point he has raised. My role is to focus on the issues which I think will have an effect on the outcome of his complaint.

As both parties have given different versions of events; I cannot be sure about what was discussed about the APR rate. Because of this I have looked at what the available documentary evidence says to reach a decision.

### *APR rate of the loan*

Looking at the finance agreement, I can see that the APR is clearly set out as 19.5%. Mr C confirms that he signed the agreement and he has not indicated that he wasn't given the chance to review the agreement before signing. In summary the wording above Mr C's signature sets out that by signing the agreement the borrower confirms that he wants to be bound by the terms of the agreement. So, I would have expected Mr C to have checked the terms of the agreement to ensure he was happy with it, before he signed it.

Because of this I am unable to conclude that Mr C was told that the loan would be based on 0% APR.

### *extended warranty*

Mr C says that the salesperson had said that a one year warranty would be included with the purchase of the car, but he discovered that he was charged for this.

The pre-contract information document suggests that the option of the sale of the extended warranty was highlighted to Mr C. Whilst I accept that Mr C did not date this document, he has not said that he did not sign the document. So overall I am satisfied that the extended warranty was sold to Mr C as an option and the business was not wrong to charge for the warranty.

Mr C recently told us that he is having problems with the car registration being recognised. Mr C should raise this new issue with the dealership or finance company in the first instance, giving them an opportunity to respond.

I appreciate that this will not be the outcome Mr C was hoping for, but based on the evidence I have seen, I can't uphold his complaint.

### **my final decision**

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr C to accept or reject my decision before 24 August 2015.

Karen Dennis-Barry  
**ombudsman**