

complaint

Mrs H complains that her finance agreement with Santander Consumer (UK) Plc was mis-sold to her.

background

In August 2013 Mrs H entered a fixed sum loan agreement with a personal contract purchase option (PCP) with Santander. She says that the personal loan was mis-sold, as she didn't know she couldn't voluntarily terminate (VT) the agreement; she also says the documentation was confusing.

Our adjudicator initially agreed that Mrs H would've been confused by the documentation. However after Mrs H provided copies of her previous finance agreements in the same format, she didn't think that Mrs H had been mis-sold the fixed sum loan.

Mrs H disagreed; she asked for an ombudsman to look at the complaint.

my findings

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

was Mrs H mis-sold the fixed sum loan?

Mrs H says that the salesperson didn't tell her that she was taking out a personal loan and she didn't realise she didn't have VT rights until she contacted Santander to try to VT the agreement. She wants Santander to allow her to VT the agreement.

Santander says that the dealership did tell her the type of agreement she was entering and also gave her the relevant pre contract information to ensure she understood what she was signing.

As it's difficult for me to know what exactly was discussed about the agreement type. I've looked at what the relevant documentation says;

Mrs H signed a fixed sum loan, which came along with another agreement, giving her a PCP option. The document Mrs H signed is clearly marked as a fixed sum loan agreement at the top. It doesn't contain a VT clause, which would allow her to return the car early after paying a specified amount or after a period of time.

Mrs H has provided copies of previous conditional sale and hire purchase agreements she has entered into. These clearly contain VT clauses, allowing her to return the car early after repaying a specified amount.

Having looked at what is set out in the fixed sum agreement and her previous agreements; I think it was Mrs H's responsibility to read what she was signing and notice that there wasn't any VT clause. Because of this, I don't think the agreement was mis-sold to her.

was the documentation confusing?

Mrs H's fixed loan agreement came along with an agreement which gave her a PCP option. Whilst this isn't the most common format of finance agreements, Mrs H's previous conditional sale agreements also came with PCP option agreements. So I don't think it would be fair to say that the documentation would've been confusing.

I know this isn't the outcome Mrs H wanted, but I don't think I have any grounds to tell Santander to allow her to VT the agreement.

my final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 29 December 2015.

Karen Dennis-Barry
ombudsman