

# Complaints Policy & Procedure

# Midco (Bakewell) Ltd

## Version Control:

Version	Revision Date	Section Revised	Reason	Description
1.0	25/08/2023			First Draft
1.1	14/09/2023	Definition of Complaint Informal Complaints		Removed reference to putting in writing, changed list of categories; Changed list that would not be suitable
1.2	19/01/2024	Throughout	FCA temporary pause	Details of the temporary pause for complaint relating to discretionary commission arrangements
1.3	02/09/2024	Appendix 4	FCA extension of temporary pause	Added details of DCA extension
1.4	30/09/2024	As above	As above	Confirmed extension and changes to DISP

## Contents

<b>Introduction.....</b>	<b>3</b>
<b>Treating Customers Fairly.....</b>	<b>3</b>
<b>Definition of “Complaint” .....</b>	<b>3</b>
<b>Definition of “Eligible Complaints” .....</b>	<b>4</b>
<b>Receipt and logging.....</b>	<b>4</b>
<b>Informal Complaints .....</b>	<b>4</b>
<b>Determining if a complaint is “informal” .....</b>	<b>4</b>
<b>Handling Informal Complaints.....</b>	<b>5</b>
<b>Formal Complaints.....</b>	<b>5</b>
<b>Handling and Investigating Formal Complaints .....</b>	<b>5</b>
<b>Financial Ombudsman Service (FOS).....</b>	<b>6</b>
<b>Record Keeping, Analysis, Reporting and Management Controls .....</b>	<b>7</b>
<b>Record Keeping.....</b>	<b>7</b>
<b>Analysis .....</b>	<b>7</b>
<b>Reporting to the Financial Conduct Authority (FCA) .....</b>	<b>8</b>
<b>Management Controls.....</b>	<b>8</b>
<b>Handling of 3<sup>rd</sup> Party Complaints .....</b>	<b>8</b>
<b>APPENDIX 1: Complaints Notification Process .....</b>	<b>9</b>
<b>APPENDIX 2: Document Suite .....</b>	<b>10</b>
<b>APPENDIX 3 – Customer Copy Complaints Handling Process .....</b>	<b>13</b>

# Midco (Bakewell) Ltd

**\*\*\*\* NOTE – this policy is written as if there is more than one employee at the firm ('we', 'our', 'us', 'directors', 'management', 'staff'). This will need amending if used for a business that is starting out with only 1 employee. Alternatively use the Complaints Policy (1 employee) template \*\*\*\***

## Introduction

Midco (Bakewell) Ltd recognises that all customers have the right to complain and have put in place appropriate complaint handling procedures to deal with such complaints. **It is important to note that customers can make a complaint free of any charge.** This document outlines the process to be followed to ensure a speedy resolution. All complaints should be fully resolved within 8 weeks of receipt.

Given we are a small business, we will ensure that all staff are trained in how to deal with complaints. Any person subject to a complaint will not be permitted to deal with that complaint for the customer.

## Treating Customers Fairly

In accordance with our commitment to treating customers fairly and the Financial Conduct Authority (FCA)'s rules we will:

- Investigate complaints competently, diligently, and impartially
- Assess fairly, consistently, and promptly:
- The subject matter of the complaint
- Whether the complaint should be upheld
- What remedial action or redress (or both) may be appropriate
- Record and analyse all complaints whether reportable to the FCA or not, and whether about the firm or third party (e.g., an insurer), to identify and act upon any weaknesses.

## Definition of “Complaint”

A complaint is:

*“Any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service, which alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.”*

Complaints can be made verbally or in writing which includes by telephone, video call, in person, in writing (including by post, SMS, Whasapp, email and social media).

Complaints will be categorised as follows:

- Selling or the arranging of finance
- Terms and conditions
- General admin / customer service
- Quality of vehicle (SQ)
- Third party complaint
- Other\*

\* The 'other' category should only be used in exceptional circumstances when none of the specific categories are appropriate.

Matthew Atkinson at Midco (Bakewell) Ltd, will ensure that complaints are correctly categorised in the Complaints Register. Staff are trained at least annually in how to establish and understand whether a

# Midco (Bakewell) Ltd

customer is making a complaint and are regularly given feedback and hints and tips on complaint handling.

## Definition of “Eligible Complaints”

All complaints received will be treated in the same way, whether they meet the definition of an eligible complaint or not. However, it is important to identify whether a complaint is eligible for FCA reporting processes.

The FCA defines an ‘eligible complainant’ as follows:

An eligible complainant must be a person that is:

- a consumer (including a professional person acting outside of their business or profession);
- a micro-enterprise (an enterprise which employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million);
- a charity which has an annual income of less than £1 million at the time the complainant refers the complaint to the respondent; or
- a trustee of a trust which has a net asset value of less than £1 million at the time the complainant refers the complaint to the respondent.

## Receipt and logging

The procedures for recording all complaints (both informal and formal) are as follows:

1. Upon receipt of a complaint the Complaint Register should be updated, and Matthew Atkinson notified.
2. Matthew Atkinson will either take on the complaint himself or allocate to another staff member to deal with the complaint.
3. The person dealing with the complaint will assess the validity of the complaint.
4. The person dealing with the complaint will investigate the complaint.
5. The person dealing with the complaint will update the Complaint Register at each stage of the complaint so that these results can be relayed to management. These records and logs will be accessible by all staff.
6. The person dealing with the complaint will ensure that customers are kept updated in their chosen communication method.

## Informal Complaints

### Determining if a complaint is “informal”

If it is likely that a complaint can be resolved to the complainant’s satisfaction within 3 business, then the informal complaints process can be followed. Within 3 days:

- The complainant should confirm that their concern is fully resolved.
- It is clear the actions taken have fully resolved the complaint.

If a complaint cannot be resolved satisfactorily within the 3-day period, then the complaint should be dealt with under the Formal Complaints process.

The informal process is most appropriate for straight forward complaints such as those with no threat of escalation to the Financial Ombudsman Service (FOS) or the Media.

# Midco (Bakewell) Ltd

## Handling Informal Complaints

The matter must be investigated and resolved by a person other than the person who is the subject of the complaint.

Once the complaint has been resolved, a Summary Resolution Communication (SRC) must be sent to the complainant (see template in Appendix 2). Any remedial action or redress to the customer should be actioned promptly.

If the complainant subsequently contacts to escalate the complaint, then this must automatically be dealt with under the Formal Complaints process.

## Formal Complaints

This applies to any complaint ("eligible", in accordance with the above definition, or otherwise) that cannot be resolved under the informal process, where a complaint is received concerning the actions of the firm as a broker (and agent of the customer) for the complaint to be handled internally.

## Handling and Investigating Formal Complaints

The formal complaint handling procedures are as:

1. The person responsible for the complaint will acknowledge the receipt of the complaint to the complainant within 5 working days of first notification (see template in Appendix 2). This acknowledgement will confirm:
  - a) Whether the complaint requires further investigation
  - b) The contact details of the person dealing with the complaint
  - c) The complaints procedures (as detailed in Appendix 3).
  - d) If the complaint does not warrant further investigation, the decision, and reasons for that decision.
2. The complaint will be fully investigated by the appropriate person.
3. A written response will be made to the complainant within 20 working days.
4. If a full response cannot be made within 20 days, the client will be given reasons for the delay and a timetable by which they can expect to receive a reply.
5. A written response will be made to the complainant within 40 working days (eight weeks).
6. If a full response cannot be made within 40 days, the customer will be given reasons for the delay and a timescale by which they can expect to receive a reply. At this point, the customer should be provided with their right to access FOS.
7. Once the complaint has been fully investigated, a response will be issued either:
  - a) Accepting the complaint and, if appropriate, offering some form of redress; or
  - b) Giving reasons why the complaint is rejected; or
  - c) A combination.

If the complaint requires remedial action to correct the complaint, or for redress to be made to the customer, then this must be actioned promptly.

8. The complainant will be advised that if they are not satisfied, they may escalate the matter to FOS.
9. If the complainant accepts the written response, confirmation will be sought from the complainant that the matter can be considered closed. The complainant will be made aware of their right to complain to the Ombudsman at any time in the future if they are dissatisfied.

# Midco (Bakewell) Ltd

## Complaints relating to Discretionary Commission Arrangements (DCA)

On 11 January 2024 the FCA announced temporary changes to the handling rules for motor finance complaints relating to discretionary commission arrangements. These rules came into force on 11<sup>th</sup> January 2024.

The FCA has described a DCA as an arrangement between lenders and brokers which allowed the broker to adjust the interest rates offered to customers. Typically, the higher the interest rate, the more commission the broker received. This practice was banned by the FCA on 28 January 2021, however, they are now undertaking a review to assess the extent of the problem and to understand whether customers are owed compensation.

A customer will have an eligible DCA complaint if:

1. They used car finance to buy a car **before** 28 January 2021, this includes conditional sale agreements and fixed-sum loan agreements.
2. A discretionary commission arrangement was operated in relation to the agreement (even if this was entered into after 28 January 2021).

As Midco (Bakewell) Ltd was not authorised by the FCA until 14<sup>th</sup> January 2023, the new rules will not affect our Complaints Process as we have never entered into, or been involved in, a discretionary commission arrangement with a lender or other broker given this type of arrangement was banned in January 2021.

However, details of the changes are attached in Appendix 4 for information purposes only.

## Financial Ombudsman Service (FOS)

Set up by Parliament, the FOS is the UK's official expert in resolving problems with financial services.

If a business and a customer cannot resolve a complaint themselves, the FOS can give an unbiased answer about what has happened. If they decide someone has been treated unfairly, the FOS has legal powers to put things right.

<http://www.financial-ombudsman.org.uk>

The customers' right to have disputes referred to the FOS should be included in any Terms of Service, including contact information.

We take FOS referrals seriously and will comply and cooperate with the FOS entirely by ensuring all information requests required from us as a business are provided in a timely fashion, we will also work with the lender and dealer where necessary.

When a complaint is referred to FOS for any reason, it will highlight a requirement for internal investigation, whether the referral has been upheld or rejected by FOS. Both outcomes will result in our complaints handling process being reviewed and discussed internally by the Directors of the business to ensure that we are following a process that is not only regulatory sound, but also meets customers' expectations. Whilst investigating we will consider all guidance provided by the FCA and the FOS, and will focus on any mistakes that were made throughout the process and what lessons we can learn from the outcome of the complaint, internal follow up investigations and guidance provided by any regulators we deal with. Internal discussions will also take place with any individuals that have dealt with the complainant and appropriate training will be provided as part of their learning and development plan. Ultimately we will ensure focus is on making improvements to the complaint handling process. What is key from any outcome that the FOS provide is that we can always make improvements and enhancements to our processes and learn from any errors that have been conducted to ensure that the customer always receives a good outcome.

# Midco (Bakewell) Ltd

As an example of our learnings, where we have had FOS referrals or complaints that have aspects of the customer not understanding the product that they have entered into, we may need to introduce further methods of communication such as enhanced videos or documents relating to the products that we offer and how they work. This would be a lesson that we could learn from such complaints.

There are instances where the FOS will not consider a complaint, these are when the complaint is:

- More than 6 months after the date we issued the final response, redress, or summary resolution letter
- More than
  - 6 years after the event complained of, or (if later)
  - 3 years from the date on which the complainant became aware (or ought to reasonably have become aware) that they had cause for complaint

We will add the correct FOS rights to each final response letter. These are included in our example letter in Appendix 2.

## Record Keeping, Analysis, Reporting and Management Controls

### Record Keeping

Matthew Atkinson will be responsible for maintenance of the Complaints Register and monitoring the progress made with each complaint up to resolution. The Complaints Register will include details of all open complaints reported, when they were received, what the client classification is, where the relevant files are held and details of all other material developments until each complaint is resolved. The Complaints Register will also retain the records of each complaint for six years.

### Analysis

Matthew Atkinson will periodically review the Complaints Register to establish whether there are any trends or common reasons leading to customer complaints for example, systemic failings in sales or operational processes. They will also consider customer feedback and issues that staff have raised, and where system or operational failures are found these will be raised with management and an action plan will be developed and implemented to address the issue/s. During the investigation Matthew Atkinson will consider whether it is appropriate to contact customers that have not made a complaint and ensure that appropriate measures are taken to resolve any detriment to the customers that have been affected by the issue.

Data that will be collected in order to monitor the outcomes that customers are receiving is:

- Complaint volumes by category
- Root causes
- % upheld complaints
- % complaints referred to FOS
- % FOS complaints upheld by FOS
- Redress month on month

Following the implementation of an action plan, Matthew Atkinson will continue to monitor complaints to determine if the action taken has been effective.

# Midco (Bakewell) Ltd

## Reporting to the Financial Conduct Authority (FCA)

Matthew Atkinson will include relevant complaints in a mandatory report to the FCA.

## Management Controls

Midco (Bakewell) Ltd has appropriate management controls in place, and reasonable steps are taken to ensure we can identify and remedy any recurring or systemic problems.

Recurring or systemic problems are identified / remedied by:

- Analysing the root causes of common types of complaints.
- Root cause analysis will be carried out across the entire population of customers, but also broken down into other segments (by customer e.g vulnerable customers; and by product type)
- Root cause analysis will involve looking at the complaint in full, including the investigation, any calls, documentation, computer records, interviews with anyone involved, feedback that relates to the same issue, quality monitoring records, MI from the lender or broker such as arrears or early settlements, and online reviews.
- Considering whether such root causes may influence other processes or products, which were not directly involved in the complaints.
- Correcting, where reasonable to do so, such root causes.

Where we identify that a customer has not been sold a product that meets their needs, characteristics or objectives; the product does not provide fair value; the customer has not been equipped with the right information to make an informed decision; or they did not receive appropriate support, we will conduct a full investigation and ensure that appropriate action is taken, acting in good faith to rectify the situation. This may include:

- Investigate the extent of the issue, what policies are affected, how many customers have been affected, and whether they have been caused harm
- Action plan development to remedy any harm caused to customers
- Document whether other customer who have not complained should be contacted and whether redress will be offered
- Review policies and procedures and make the necessary improvements to avoid repeated issues of the same nature
- Provide further training to individuals where needed
- Add issue to the risk register with enhanced controls
- Check that the compliance monitoring plan has an appropriate review that would identify should there be further failings
- Notify other firms in the distribution chain
- Notify the FCA

## Handling of 3<sup>rd</sup> Party Complaints

Where another FCA regulated firm is entirely or partly responsible for the complaint then the complaint, or relevant part of it, may be referred on to them. In such cases the following action will be taken:

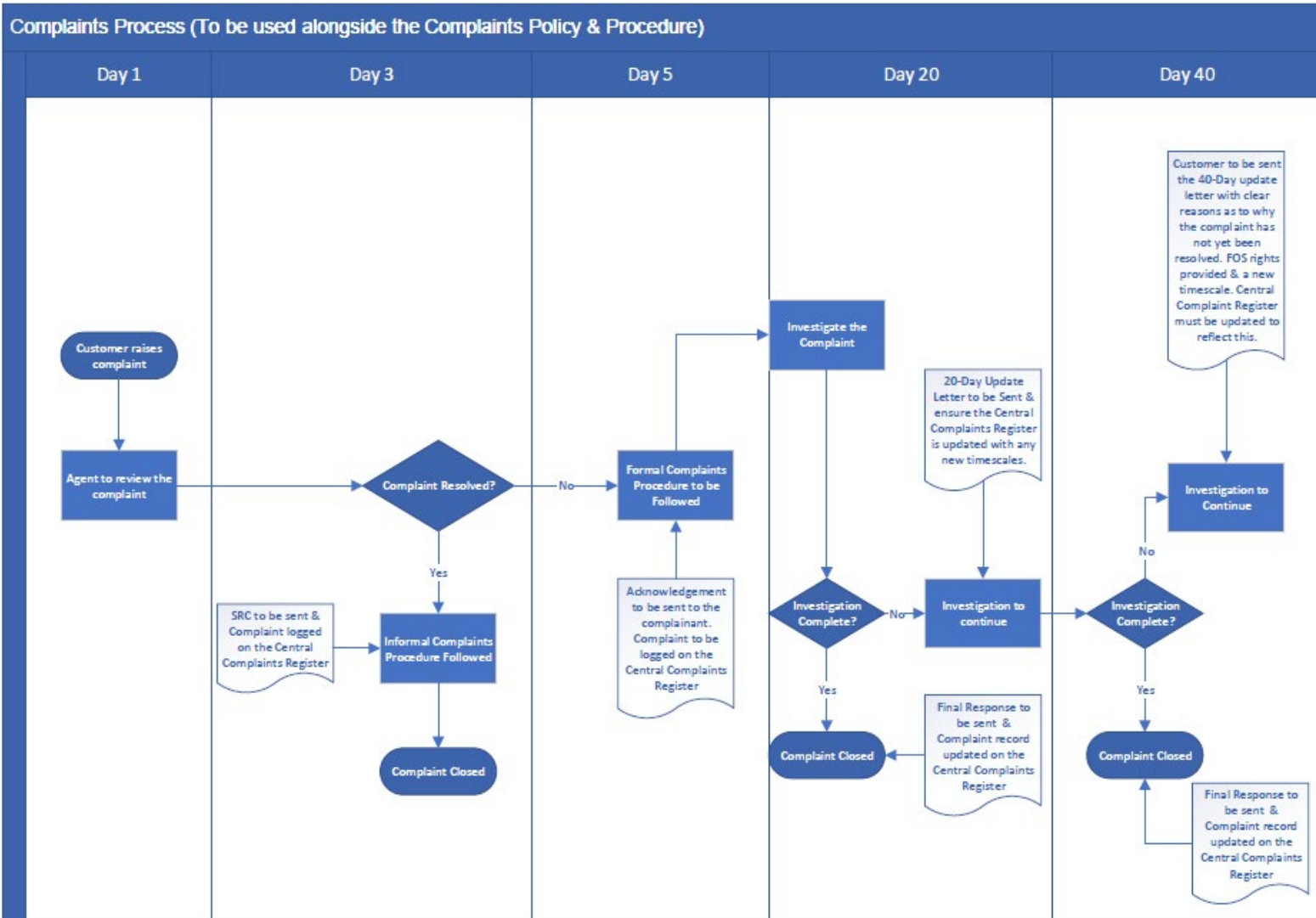
- Inform the complainant promptly and in writing that the complaint will be referred, either entirely or in part, to another firm, and obtain the written consent of the complainant to do so;
- If the complainant consents to the referral of the complaint, the complaint will be referred to the other firm promptly and in writing;
- Inform the complainant promptly and in writing that the complaint has been referred and include adequate contact details of any individual at the other firm responsible for handling the complaint; and
- Continue to deal with any part of the complaint not referred to the other firm, in accordance with the normal procedures. To the extent that the referral of any complaint as envisaged above



# Midco (Bakewell) Ltd

entails the transfer of personal information; this will only be done in accordance with our registration under the Data Protection Act 2018.

## APPENDIX 1: Complaints Notification Process



# Midco (Bakewell) Ltd

## APPENDIX 2: Document Suite

Templates to be edited (where \*\*) and sent to the complainant at the necessary time.

### Summary Resolution Communication (SRC)

Dear \*Customer\*

#### Oral Complaint:

Thank you for taking the time to discuss your complaint with me on \*date\*.

#### Written Complaint:

Thank you for your correspondence dated \*Date\*

\*Summary of the complaint & any remedial action/redress completed\*

While we consider this matter to be resolved, in the unlikely event that you remain dissatisfied I am obliged to inform you that you now have the right to refer your complaint to the Financial Ombudsman Service (FOS), free of charge – but you must do so within six months of the date of this communication.

If you do not refer your complaint in time, the FOS will not have permission to consider your complaint and so will only be able to do so in very limited circumstances (for example, if the FOS believes that the delay was as a result of exceptional circumstances). Further details regarding the FOS can be obtained from their website at [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk). Alternatively, the FOS may be contacted at: The Financial Ombudsman Service Exchange Tower London E14 9SR Tel: 0800 023 4 567

### Formal Complaint Acknowledgement

Dear \*Customer Name\*

Thank you for notifying us of your complaint.

I would like to apologise that you have had cause to complain.

#### \*If the complaint is to be investigated\*

Your complaint will require further investigation and therefore it has been passed to \*Complaint Handler Name\*. You can contact them via email \*Email Address\*

#### \*If the complaint is not to be investigated\*

However, we do not believe your complaint requires any further investigation due to \*provide reasons for giving this decision\*

**\*COPY & PASTE APPENDIX 3\***

## Midco (Bakewell) Ltd

### 20-Day Update

Dear **\*Customer Name\***

Thank you for your patience whilst we are investigating your complaint.

As per our correspondence dated **\*last correspondence date\***, we agreed that we aimed to resolve your complaint within 20 working days.

Unfortunately, due **\*provide reason for delay\***, we are still investigating aspects of your complaint. You can expect a response by **\*if a date is known – provide date\* \*if not known, provide 40 working day date\***

### 40-Day Update - if not yet fully investigated

Dear **\*Customer Name\***

Thank you for your patience whilst we are investigating your complaint.

As per our correspondence dated **\*last correspondence date\***, we agreed that we aimed to resolve your complaint by **\*provide date stated in last correspondence\***

Unfortunately, due **\*provide reason for delay\***, we are still investigating aspects of your complaint. We do not anticipate this to be much longer and are hopeful that we can provide you with a full response by **\*\* provide date\*\***

If you are dissatisfied at the time taken to resolve your complaint, I am obliged to inform you that you now have the right to refer your complaint to the Financial Ombudsman Service (FOS), free of charge – but you must do so within six months of the date of this communication.

If you do not refer your complaint in time, the FOS will not have permission to consider your complaint and so will only be able to do so in very limited circumstances (for example, if the FOS believes that the delay was as a result of exceptional circumstances). Further details regarding the FOS can be obtained from their website at [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk). Alternatively, the FOS may be contacted at: The Financial Ombudsman Service Exchange Tower London E14 9SR Tel: 0800 023 4 567

### Final Response

Dear **\*Customer Name\***

Thank you for your patience whilst we are investigating your complaint.

**\*Provide full explanation on investigation\***

**\*Acceptance – Any remedial action on redress?\***

**\*Rejection – Reasons why\***

**\*Combination of both – Rejected with redress for example\***

**\*Add these FOS rights for complaints that are not time-barred\***

While we consider this matter to be resolved, in the unlikely event that you remain dissatisfied I am obliged to inform you that **you now have the right to refer your complaint to the Financial Ombudsman Service (FOS), free of charge** – but you must do so within six months of the date of this communication.

If you do not refer your complaint in time, the FOS will not have permission to consider your complaint and so will only be able to do so in very limited circumstances (for example, if the FOS believes that the delay was as a result of

## Midco (Bakewell) Ltd

exceptional circumstances). Further details regarding the FOS can be obtained from their website at [www.financialombudsman.org.uk](http://www.financialombudsman.org.uk). Alternatively, the FOS may be contacted at: The Financial Ombudsman Service Exchange Tower London E14 9SR Tel: 0800 023 4 567

**\*Add these FOS rights for complaints rejected due to the 6/3-year time-barring rules\***

**You have the right to refer your complaint to the Financial Ombudsman Service, free of charge.**

The Ombudsman might not be able to consider your complaint if:

- what you are complaining about happened more than **six years** ago, **and**
- you are complaining more than **three years** after you realised (or should have realised) that there was a problem.

We think that your complaint was made outside of these time limits, but this is a matter for the Ombudsman to decide. If the Ombudsman agrees with us, they will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances (see below).

**If you do decide to refer your complaint to the Ombudsman, you must do so within six months of the date of this letter.**

If you do not refer your complaint to the Ombudsman within six months of the date of this letter, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances.

The very limited circumstances referred to above include, where the Ombudsman believes that the delay was as a result of exceptional circumstances.

**\* ENSURE YOU INCLUDE FOS DOCUMENTATION\***

# Midco (Bakewell) Ltd

## **APPENDIX 3 – Customer Copy Complaints Handling Process**

*This is to be provided to the customer when acknowledging a formal complaint.*

### **HOW WE HANDLE YOUR COMPLAINT**

Midco (Bakewell) Ltd are committed to providing high quality services to all our customers. However, we appreciate we may not always get it right. If a problem occurs, we strive to address complaints promptly and effectively.

#### **CONTACT US**

The best way to contact us is to call or email us and we will try to resolve your complaint within 3 working days:

- By telephone 01246 380506
- By email to [hello@midcocommercials.co.uk](mailto:hello@midcocommercials.co.uk)
- By post to Midco (Bakewell) Ltd T/A Midco Commercials, Old Sheepbridge Works, Sheepbridge Lane, Chesterfield S41 9FE

#### **WHEN AND HOW YOU WILL HEAR FROM US**

If we can resolve your complaint within 3 working days, we will send you written confirmation of this in the form of a summary resolution letter. Where we cannot resolve your complaint within three working days, we will send you a written acknowledgement so that you know we are investigating your concerns.

We will then undertake a full investigation to enable us to make an informed assessment of your complaint. We will keep you updated on our progress and contact you if we need to provide further information regarding the issues you have raised.

We will send you a final response within 8 weeks (unless your complaint relates to discretionary commission arrangements, see below), although we aim to get your complaint resolved well before this time. The final response will:

- Let you know the outcome of the investigation
- If appropriate, advise you of what we intend to do to rectify the problem
- If we disagree with your complaint, clearly explain why

If we decide that you are not an eligible complainant, we will advise you of this promptly. This may be because your complaint is time barred which means the event happened more than 6 years ago, or it is more than 3 years since you should reasonably have been aware you had cause for complaint. There may be times where we need to refer part of all a complaint to a third party. Where this happens, we will aim to do so within 5 working days, obtaining your consent to do so, and providing contact details of the third party.

#### **COMPLAINTS RELATING TO DISCRETIONARY COMMISSION ARRANGEMENTS (DCA)**

On 11 January 2024 the FCA announced temporary changes to the handling rules for motor finance complaints relating to DCA, and a further extension on 24<sup>th</sup> September 2024. The usual 40 working day period (eight weeks) to investigate and respond to a formal complaint is now paused under these new rules for DCA complaints until 4<sup>th</sup> December 2025.

However, please note that as we were not authorised by the FCA until 14<sup>th</sup> January 2024, the new rules will not affect our Complaints Process as we have never entered into, or been involved in, a discretionary commission arrangement with a lender or other broker given this type of arrangement was banned in January 2021.

Please refer to [www.fca.org.uk/car-finance-complaints](http://www.fca.org.uk/car-finance-complaints) for an explanation of the FCA's reasons for the temporary changes in relation to discretionary commission arrangements.

#### **REFERRING YOUR COMPLAINT**

After our investigation, if you are still unhappy with our response to your complaint, you can choose to refer it to the Financial Ombudsman Service (FOS). They provide a free, independent service to help resolve complaints:

[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

0800 032 8000

# Midco (Bakewell) Ltd

[Complaint.info@financial-ombudsman.org.uk](mailto:Complaint.info@financial-ombudsman.org.uk)

Financial Ombudsman Service, Exchange Tower, London E14 9SR

If you decide to refer your complaint after we have issued our final response, you should do so within 6 months of the date on our final response letter. Details of how to raise your concerns with the FOS will be included in our final response communication.

All records will be kept for a period of six years.

# Midco (Bakewell) Ltd

## APPENDIX 4: Information about Discretionary Commission Arrangement Complaints

On 11 January 2024 the FCA announced temporary changes to the handling rules for motor finance complaints relating to discretionary commission arrangements. These rules came into force on 11<sup>th</sup> January 2024, and were further revised on 24<sup>th</sup> September 2024.

The FCA has described a DCA as an arrangement between lenders and brokers which allowed the broker to adjust the interest rates offered to customers. Typically, the higher the interest rate, the more commission the broker received. This practice was banned by the FCA on 28 January 2021, however, they are now undertaking a review to assess the extent of the problem and to understand whether customers are owed compensation.

A customer will have an eligible DCA complaint if:

1. They used car finance to buy a car **before** 28 January 2021, this includes conditional sale agreements and fixed-sum loan agreements.
2. A discretionary commission arrangement was operated in relation to the agreement (even if this was entered into after 28 January 2021).

The following rules apply to complaints received from 17<sup>th</sup> November 2023 to 4<sup>th</sup> December 2025 or where a final response has been or will be issued from 12 July 2023 to 4<sup>th</sup> December 2025.

- The usual 40 working day period (eight weeks) to investigate and respond to a formal complaint of this nature has been paused from 11<sup>th</sup> January 2024 to 4<sup>th</sup> December 2025
- Firms should write to any complainant who has had an acknowledgement letter since original pause was announced to confirm the further extension of the pause to 4<sup>th</sup> December 2025
- Firms should write to any complainant who has had a Final Response from 12<sup>th</sup> July 2023 to 24<sup>th</sup> September 2024 to confirm the further extended FOS rights (see below)
- If any new Acknowledgement letters or Final Response letters are issued they must adhere to the new DISP rules around DCA complaints, including correct FOS rights:
  - FOS rights for final responses 12/07/2023 to 29/04/2025 - Up to 29/07/2026 to refer to FOS
  - FOS rights for final responses 30/04/2025 to 29/01/2026 - 15 months from the date of the final response
- Customers should be referred to [www.fca.org.uk/car-finance-complaints](http://www.fca.org.uk/car-finance-complaints) for an explanation of the FCA's reasons for the temporary changes in relation to discretionary commission arrangements.
- After 4<sup>th</sup> December 2025 the pause will be lifted and complaints should resume (unless further instructions are given by the FCA)
- Firms should remain in contact with the customer

In light of the temporary pause for complaints relating to DCAs, firms are expected to retain and preserve records relating to any regulated credit agreement entered into before 28 January 2021 whether or not a complaint has been made. This will happen from 11<sup>th</sup> January 2024 to 11<sup>th</sup> April 2026.

The following records should be kept:

- The regulated credit agreement
- Records of commission arrangements relating to the regulated credit agreement
- Records of any commission, fee or other financial consideration paid (directly or indirectly) in connection with the regulated credit agreement, including details of its structure and calculation
- Customer files and records, including any agreement setting out the nature of the services offered, any customer transactions and payments
- Communications with the customer.