

# MOTOR FINANCE COMMISSION COMPLAINTS PROCEDURE

This document details the steps we will take to handle complaints about motor finance commission.

This includes motor finance discretionary commission arrangement complaints (also known as DCAs) and motor finance non-discretionary commission arrangement complaints (also known as non-DCAs)

## **Complaints about Discretionary Car Finance Commission Arrangements (DCAs)**

On 11 January 2024, the Financial Conduct Authority (FCA) announced their intention to review historical motor finance discretionary commission (DCA) arrangements across the motor industry.

As part of the review, the FCA has paused the 8-week deadline for firms to provide a final response to relevant customer complaints.

The pause will apply to complaints about motor finance agreements where there was a discretionary commission arrangement in place between the lender and the intermediary or credit broker.

This pause was originally scheduled to end on the 25 September 2024; however, it has now been extended **until the 04 December 2025**.

The purpose of the pause is to ensure that complaints are dealt with fairly and the outcome of the FCA's review will decide what action needs to be taken on relevant complaints, such as customer compensation.

**A relevant motor finance DCA customer complaint must meet the following tests:**

1. It must be about a regulated credit agreement taken out between 6 April 2007 and 28 January 2021.
2. It must have financed the purchase of a vehicle (including Hire Purchase Agreements, such as Personal Contract Purchases).
3. There must have been a DCA in place between the lender and the intermediary or broker (the car dealer); and
4. The complaint must have been received between 17 November 2023 and 04 December 2025 inclusive.

## **DCA Complaints Process**

You can refer your complaint to us as normal. During the period while the FCA review is ongoing, there will be a few changes to the usual complaints handling process and your complaint will be subject to longer than usual complaints handling timescales. This is due to the pause which the FCA introduced with immediate effect from 11 January 2024.

**Please note:**

- If you have a relevant DCA complaint, you will not receive a final response from us within the usual 8-week deadline. This is because the FCA has extended the deadline, and, as a result, most relevant customer complaints will not receive a final response until 04 December 2025 at the earliest.
- If you currently have a DCA complaint in progress with us, the 8-week deadline has been paused and will resume on 04 December 2025.
- If we sent you a final response to your complaint between 12 July 2023 and 25 September 2024 inclusive, or if we send you a final response to your DCA complaint between 26 September 2024 and 29 April 2025, and you remain unhappy, you will have longer to take your complaint to the Financial Ombudsman Service (FOS). Usually, you have six (6) months from the date of our final response to refer your complaint to the FOS, however you now have up to fifteen (15) months from the date of our final response or 29 July 2026, whichever is the later, to refer your complaint to the FOS. If we send you a final response to your DCA complaint

between 30 April 2025 and 29 January 2026, you will have fifteen (15) months from the date of our final response to refer your complaint to the FOS.

- If your complaint does not relate to a discretionary commission arrangement (DCA), the revised complaints handling timescales do not apply and the standard Complaints Procedure will be followed.
- For full details of the temporary complaints handling timescales and how the rules affect you, please visit the FCA's dedicated webpage for consumers at <https://www.fca.org.uk/consumers/car-finance-complaints>

### **Complaints about Non-Discretionary Car Finance Commission Arrangements (Non-DCAs)**

On 19 December 2024 and following on from the judgement of the Court of Appeal on 25 October 2024 in three motor finance cases, the Financial Conduct Authority (FCA) confirmed it was introducing a pause to allow firms more time to respond to non-DCA complaints. Firms now have until 04 December 2025 to provide a final response to complaints about non-DCAs in line with the extension already provided for complaints involving DCAs.

#### **A relevant motor finance non-DCA customer complaint must meet the following tests:**

1. It is not a relevant DCA Complaint.
2. It must be about a regulated credit agreement or regulated consumer hire agreement (leasing agreement), including personal contract hire (PCH), that financed the purchase of a motor vehicle, or a motor vehicle was hired under the agreement.
3. There was an arrangement for commission to be paid by the lender to the intermediary or credit broker.
4. The complaint must have been received between 26 October 2024 and 04 December 2025 inclusive.

### **Non-DCA Complaints Process**

You can refer your complaint to us as normal. During the period while the FCA review is ongoing, there will be a few changes to the usual complaints handling process and your complaint will be subject to longer than usual complaints handling timescales.

Please note:

- If you have a relevant non-DCA complaint, you will not receive a final response from us within the usual 8-week deadline. This is because the FCA has extended the deadline, and, as a result, most relevant customer complaints will not receive a final response until 04 December 2025 at the earliest.
- If you currently have a non-DCA complaint in progress with us, the 8-week deadline has been paused and will resume on 04 December 2025.
- If we sent you a final response to your complaint between 21 June 2024 and 19 December 2024 inclusive, or if we send you a final response to your DCA complaint between 20 December 2024 and 29 April 2025, and you remain unhappy, you will have longer to take your complaint to the Financial Ombudsman Service (FOS). Usually, you have six (6) months from the date of our final response to refer your complaint to the FOS, however you now have up to fifteen (15) months from the date of our final response or 29 July 2026, whichever is the later, to refer your complaint to the FOS. If we send you a final response to your non-DCA complaint between 30 April 2025 and 29 January 2026, you will have fifteen (15) months from the date of our final response to refer your complaint to the FOS.
- If your complaint does not relate to a non-discretionary commission arrangement (non-DCA), the revised complaints handling timescales do not apply and the standard Complaints Procedure will be followed.
- For full details of the temporary complaints handling timescales and how the rules affect you, please visit the FCA's dedicated webpage for consumers at <https://www.fca.org.uk/consumers/car-finance-complaints>

### **If you have a Complaint about Motor Finance Commission**

You can notify us of your complaint through the following channels.:

By Post: Automotive Compliance Ltd, The Factory, 44 Alfred Street, Gloucester, GL1 4DD

By Phone: 01452 671560

By Email: [complaints@automotive-compliance.co.uk](mailto:complaints@automotive-compliance.co.uk)

If you are not sure if you have a discretionary commission arrangement (DCA) complaint, you can ask us to check. We will aim to find out and respond to your enquiry as soon as possible.

On receipt of your motor finance commission complaint, we will carry out a detailed review and we will acknowledge receipt of your complaint within five (5) working days.

We will keep you updated, as appropriate, while the FCA carries out its review and during the period the pause for responding to customer complaints about discretionary arrangements (DCAs) and non-discretionary commission arrangements (non-DCAs) is in place.