

**DISPUTE RESOLUTION: COMPLAINTS SOURCEBOOK (MOTOR FINANCE  
NON-DISCRETIONARY COMMISSION ARRANGEMENT COMPLAINTS)  
INSTRUMENT 2024**

**Powers exercised**

- A. The Financial Conduct Authority (“FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 139A (Power of the FCA to give guidance);
  - (4) section 226 (Compulsory jurisdiction); and
  - (5) paragraph 13 (FCA’s rules) of Schedule 17 (The Ombudsman Scheme).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 20 December 2024.

**Amendments to the Handbook**

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Dispute Resolution: Complaints sourcebook (DISP) is amended in accordance with Annex B to this instrument.

**Citation**

- F. This instrument may be cited as the Dispute Resolution: Complaints Sourcebook (Motor Finance Non-Discretionary Commission Arrangement Complaints) Instrument 2024.

By order of the Board  
13 December 2024

## Annex A

### Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

*motor finance non-DCA complaint* (in *DISP*) has the meaning in *DISP* App 5.1.3AR.

## Annex B

### Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

In this Annex underlining indicates new text and striking through indicates deleted text.

#### 1 Treating complainants fairly

##### 1.1 Purpose and application

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Application to firms in relation to a relevant motor finance discretionary commission arrangement complaint and a motor finance non-discretionary commission arrangement complaint

1.1.10M R In relation to a *relevant motor finance DCA complaint* or a motor finance non-DCA complaint:

(1) *DISP* 1.6; and

(2) *DISP* 1.9,

apply as modified by *DISP* App 5 (~~Relevant motor finance discretionary commission arrangement complaint handling rules~~).

1.1.10N G *DISP* App 5 contains *complaint handling rules* and guidance in respect of a *relevant motor finance DCA complaint* and a motor finance non-DCA complaint.

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##### 1.2 Consumer awareness rules

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Relevant motor finance discretionary commission arrangement complaints and motor finance non-discretionary commission arrangement complaints

1.2.1A G *DISP* App 5.2.4R requires a *respondent* to update the information it has published pursuant to *DISP* 1.2.1R(1) in relation to the *complaint* handling time limits that apply to a *relevant motor finance DCA complaint* and a motor finance non-DCA complaint.

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#### 2 Jurisdiction of the Financial Ombudsman Service

##### 2.1 Purpose, interpretation and application

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Application to the Ombudsman and respondents in relation to a relevant motor finance discretionary commission arrangement complaint and a motor finance non-discretionary commission arrangement complaint

- 2.1.6B R In relation to a *relevant motor finance DCA complaint* or a motor finance non-DCA complaint:
- (1) *DISP* 2.8.1R(2);
  - (2) *DISP* 2.8.1R(4)(a); and
  - (3) *DISP* 2.8.2R(1),
- apply as modified by *DISP* App 5 (~~Relevant motor finance discretionary commission arrangement complaint handling rules~~).
- 2.1.6C G *DISP* App 5 contains *complaint handling rules* and guidance in respect of a *relevant motor finance DCA complaint* and a motor finance non-DCA complaint.

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## **App 5 Relevant motor finance discretionary commission arrangement complaint and motor finance non-discretionary commission arrangement complaint handling rules**

### **App 5.1 Purpose, interpretation and application**

Purpose

- App 5.1.1 G (1) This appendix contains *rules* and *guidance* in relation to a *relevant motor finance DCA complaint* and a motor finance non-DCA complaint that:
- (a) apply and modify the *rules* and *guidance* in *DISP* 1.2 (Consumer awareness rules), *DISP* 1.6 (Complaints time limit rules) and *DISP* 2.8 (Was the complaint referred to the Financial Ombudsman Service in time?); and
  - (b) require *lenders*, *owners* and *credit brokers* to retain and preserve relevant records.
- (2) Where, in relation to either a relevant motor finance DCA complaint or a motor finance non-DCA complaint, provisions in *DISP* 1 or 2 refer to *rules* or *guidance* that are modified by this appendix, the modified provisions apply.
- (3) All *rules* and *guidance* in *DISP* continue to apply to a *relevant motor finance DCA complaint* and a motor finance non-DCA complaint unless otherwise stated.

## Interpretation

- App 5.1.2 R (1) ~~For the purposes of this appendix, a~~ A relevant motor finance DCA complaint is a *complaint* where:
- ...
- App 5.1.3 G ...
- App 5.1.3A R A motor finance non-DCA complaint is a *complaint* where:
- (1) the subject matter of the *complaint* relates, in whole or part, to a regulated credit agreement or a regulated consumer hire agreement;
  - (2) the regulated credit agreement or the regulated consumer hire agreement, in whole or part, financed the purchase of a motor vehicle, or a motor vehicle was bailed or hired under the agreement;
  - (3) there were arrangements between the lender or owner and a credit broker relating to the entering into of that agreement that provided for the payment (directly or indirectly) of any commission, fee or other financial consideration or remuneration including a benefit of any kind to the credit broker;
  - (4) the complaint is not a relevant motor finance DCA complaint as defined in DISP App 5.1.2R; and
  - (5) the respondent:
    - (a) received the complaint in the period beginning with 26 October 2024 and ending with 4 December 2025; or
    - (b) sent a final response to the complaint in the period beginning with 21 June 2024 and ending with 29 January 2026.

## Application

- App 5.1.4 R This appendix applies to:
- (1) respondents and the Ombudsman in respect of a relevant motor finance DCA complaint or a motor finance non-DCA complaint; and
  - (2) lenders and credit brokers in respect of records relating to any regulated credit agreement entered into before 28 January 2021 that meets the requirements in DISP App 5.1.2R(1)(b) and (c); and
  - (3) lenders, owners and credit brokers in respect of records relating to any regulated credit agreement or regulated consumer hire

agreement that meets the requirements in DISP App 5.1.3AR(2) and (3).

App 5.1.5 R Where this appendix applies or modifies provisions in *DISP 2*, the term *respondent* in *DISP App 5.1.2R, 5.1.3AR* and *5.1.4R* has the ~~*glossary*~~ *Glossary* meaning that applies in that chapter.

**App 5.2 Complaint handling rules in respect of a relevant motor finance DCA complaint and a motor finance non-DCA complaint**

Time limits for a final response, consideration by the Ombudsman and complaints records

App 5.2.1 R (1) This *rule* applies in respect of a *relevant motor finance DCA complaint*:

(a) that is received by the *respondent* in the period beginning with 17 November 2023 and ending with 4 December 2025; and

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App 5.2.1A G ...

App 5.2.1B R (1) This *rule* applies in respect of a *motor finance non-DCA complaint*:

(a) that is received by the *respondent* in the period beginning with 26 October 2024 and ending with 4 December 2025; and

(b) in relation to which a *final response* has not been sent.

(2) For the purpose of calculating the eight-week period in:

(a) *DISP 1.6.2R*;

(b) *DISP 1.6.7G*;

(c) *DISP 2.8.1R(2)*; and

(d) *DISP 2.8.1R(4)(a)*,

time is to be treated as not running for the period beginning with 26 October 2024 and ending with 4 December 2025.

(3) The three-year period in *DISP 1.9.1R(2)* (*Complaints record rule*) is to be treated as not running for the period beginning with 26 October 2024 and ending with 4 December 2025.

## Time limits for referring a complaint to the Ombudsman

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App  
5.2.2A

G ...

App  
5.2.2B

- R (1) This rule applies where a *final response* to a *motor finance non-DCA complaint* is sent in the period beginning with 21 June 2024 and ending with 29 January 2026.
- (2) If a *final response* is sent in the period beginning with 21 June 2024 and ending with 29 April 2025, *DISP* 2.8.2R(1) is modified so that the *Ombudsman* cannot consider a *complaint* if it is referred to the *Financial Ombudsman Service* on or after 30 July 2026.
- (3) If a *final response* is sent in the period beginning with 30 April 2025 and ending with 29 January 2026, *DISP* 2.8.2R(1) is modified so that the *Ombudsman* cannot consider a *complaint* if it is referred to the *Financial Ombudsman Service* more than *fifteen months* after the date on which the *respondent* sent the complainant its *final response*.

## Communicating with consumers

App  
5.2.4

- R (1) A *respondent* must update any information it has published pursuant to *DISP* 1.2.1R(1) as soon as is practicable to:
- (a) inform consumers of the pause to time limits for a *final response* to a *relevant motor finance DCA complaint* and a *motor finance non-DCA complaint* as set out in *DISP* App 5.2.1R(2) and *DISP* App 5.2.1BR(2); and

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## Communicating with complainants

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App  
5.2.5C

R ...

App  
5.2.5D

- R (1) This rule applies where a *respondent* receives a *motor finance non-DCA complaint* in the period beginning with 26 October 2024 and ending with 4 December 2025.
- (2) Where a *respondent* has on or before 19 December 2024 sent a *written acknowledgement* in accordance with *DISP* 1.6.1R(1), but has not sent a *final response* in accordance with *DISP* 1.6.2R(1), the *respondent* must:

- (a) promptly inform the complainant in writing of the pause to the time limits as set out in *DISP* App 5.2.1BR(2); and
- (b) comply with (4).
- (3) Where a *respondent* has not, on or before 19 December 2024, sent a complainant a written acknowledgement in accordance with *DISP* 1.6.1R(1), it must, when complying with that rule:
  - (a) inform the complainant of the pause to time limits set out in *DISP* App 5.2.1BR(2); and
  - (b) comply with (4).
- (4) A *respondent* must direct the complainant to the information published at [fca.org.uk/carfinance](https://fca.org.uk/carfinance), which explains the reason for the pause.

#### Communicating the Financial Ombudsman Service temporary time limits

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App  
5.2.9

R ...

App  
5.2.10

- R
- (1) This rule applies to a *motor finance non-DCA complaint* where a *final response* is sent in the period beginning with 21 June 2024 and ending with 29 January 2026.
  - (2) Where, in accordance with *DISP* 1.6.2R(1), a *respondent* has on or before 19 December 2024 sent a complainant a *final response*, the *respondent* must promptly in writing inform the complainant that:
    - (a) the time limit to refer the *complaint* to the *Financial Ombudsman Service* has been extended to end with 29 July 2026;
    - (b) the six-month time limit contained in the *Financial Ombudsman Service's* standard explanatory leaflet does not apply; and
    - (c) the information at [fca.org.uk/carfinance](https://fca.org.uk/carfinance) explains the reason for the extension.
  - (3) Where a *respondent* has not on or before 19 December 2024 sent a complainant its *final response*, it must, when complying with *DISP* 1.6.2R(1):
    - (a) explain that the time limit to refer the *complaint* to the *Financial Ombudsman Service* has been extended in accordance with *DISP* App 5.2.2BR;



- (b) provide the information contained in (2)(b) and (c); and
- (c) modify the wording required by DISP 1.6.2R(1)(e) and (f) (if applicable) so that:
  - (i) references to ‘within six months of the date of this letter’ in DISP 1 Annex 3R(1) and (2) are substituted with:
    - (A) ‘on or before 29 July 2026’ if a respondent sends a final response on or before 29 April 2025; or
    - (B) ‘within fifteen months of the date of this letter’ if a respondent sends a final response on or after 30 April 2025; and
  - (ii) the reference to ‘is usually six months’ in DISP 1 Annex 3R(3) is substituted with:
    - (A) ‘is, in this case, on or before 29 July 2026’ if a respondent sends a final response on or before 29 April 2025; or
    - (B) ‘is, in this case, fifteen months’ if a respondent sends a final response on or after 30 April 2025.

### App 5.3 General record retention

App 5.3.1 R ...

- App 5.3.1A R (1) Lenders, owners and credit brokers must also retain and preserve records:
- (a) relating to any regulated credit agreement or regulated consumer hire agreement where that agreement, in whole or part, financed the purchase of a motor vehicle, or a motor vehicle was bailed or hired under the agreement; and
  - (b) where they are or could be relevant to the handling of existing or future complaints or civil claims relating to the payment (directly or indirectly) of any commission, fee or other financial consideration or remuneration including a benefit of any kind to a credit broker.
- (2) The requirement in (1) applies:
- (a) regardless of whether a motor finance non-DCA complaint or a relevant motor finance DCA complaint has been made; and
  - (b) in the period beginning with 20 December 2024 and ending with 11 April 2026.

- App 5.3.2 E The following will be relevant records for the purposes of the ~~requirement~~ requirements in *DISP* App 5.3.1R and 5.3.1AR:
- (1) the *regulated credit agreement* ~~or the regulated consumer hire agreement~~;
  - (2) records of the commission and/or remuneration arrangements relating to the *regulated credit agreement* ~~or the regulated consumer hire agreement~~;
  - (3) records of the payment (directly or indirectly) of any commission, fee ~~or~~ other financial consideration or remuneration including a benefit of any kind paid (directly or indirectly) to the credit broker in connection with the *regulated credit agreement* ~~or the regulated consumer hire agreement~~, including details of its structure, amount and calculation;

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