

Motor finance commission: Business response form

Firms need to complete this form if a consumer has complained to the Financial Ombudsman Service about commission paid when a car finance agreement was taken out.

Section 1: General information

How many agreements form part of the customer's complaint?	
If the consumer's complaint concerns multiple agreements, these will be handled separately. Please complete a separate response form for each agreement.	
Are you a	<input type="checkbox"/> Lender <input type="checkbox"/> Broker
Broker – this is any intermediary that arranged the credit and could include more than one of a car dealer, head office, parent company or any other party remunerated for the finance agreement being taken	
Financial Ombudsman Service complaint reference	
Business complaint reference	
Agreement number	
Agreement start date	
Agreement end date or settlement date (leave blank if agreement hasn't yet been settled)	
Do you consider this complaint to be outside the Financial Ombudsman's jurisdiction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please briefly tell us why (please provide full supporting arguments and evidence separately):	

Section 2: Payments made to, or received by, the broker

Did the broker receive any payment from the lender for the arrangement of this agreement?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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If yes, in the table below, please provide a breakdown of the payment received by the broker using the following definitions as a guide:

- **Commission payment type one** – this was a pre-set flat payment that couldn't be altered.
- **Commission payment type two** – the broker could vary the interest rate/APR either by increasing or decreasing it. This could be either from a scale or within a range. The commission paid was dependent on the interest rate/APR selected.
- **Commission payment type three** – the broker couldn't vary the interest rate/APR applied to the agreement. But the commission amount paid was based on a variable such as the amount advanced, age or make/model of vehicle, or agreement type.
- **Commission payment type four** – this is a payment made by the lender to the broker, usually based on the volume of agreements sold or the total amount of business.
- **Any other payment type** – any other additional payment (including payments to the broker's head office or parent company) not covered by the above definitions for example, support bonus, marketing payment.

You must select 'yes' for at least one of the following options:

Commission payment type:	Yes	No	Amount
One	<input type="checkbox"/>	<input type="checkbox"/>	£
Two	<input type="checkbox"/>	<input type="checkbox"/>	£
Three	<input type="checkbox"/>	<input type="checkbox"/>	£
Four	<input type="checkbox"/>	<input type="checkbox"/>	£
Any other payment	<input type="checkbox"/>	<input type="checkbox"/>	£
Payment total			£

Section 3: More detailed information

Commission payment type two

If you've selected 'yes' to 'Commission payment type two', please complete the below:	
Could the broker adjust the flat interest rate or APR?	<input type="checkbox"/> Flat interest rate <input type="checkbox"/> APR
What was the adjustable range available to the broker? (for example, 2.5% to 8%)	% to %
What rate was set in this case?	%
What was the correlating commission payment range available to the broker? (for example, £200 to £2000)	£ to £
What was the lowest rate available had no commission been paid?	%
Please provide further detail if needed:	

Commission payment type three

If you've selected 'yes' to 'Commission payment type three', please complete the below:	
How was the payment calculated (for example, was it a percentage of the amount advanced)?	
What was the percentage?	%
If it wasn't a percentage – what was it?	
Please provide further detail if needed:	

Commission payment type four

If you've selected 'yes' to 'Commission payment type four', please provide more information (for example, in this particular sale how was it calculated and when/why was it paid):

Any other payment

If you've selected 'yes' to 'Any other payment', please use the space below to tell us how this payment was calculated and what it was for:

Section 4: Further information

Please tell us about any monetary benefits or discounts (including the specific monetary amounts) the customer received for taking out the finance agreement. For example: a manufacturer subsidy, vehicle discount or a deposit contribution:

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Have you made an offer to settle this complaint?

☐ Yes

☐ No

If 'yes', please provide details of this offer separately, including when this offer was made and whether it has been accepted by the consumer.

Section 5: Checklist

Did you complete?	Yes	No	If 'no', please explain why
Section 1			
Section 2			
Section 3			
Section 4			
Alongside this form, have you included in your file submission?			
Loan/Sales pack, including credit agreement, terms and conditions, invoice and any other documentation provided by the lender or broker at the point of sale*			
Evidence of commission paid e.g. screenshots or remittance slips**			
Evidence of the commission arrangement between the lender and the broker, such as the terms of business or other document which sets out the contractual commission arrangement(s) in place			
Final response letter			
Evidence of (i) commission disclosure and (ii) the scope of the broker's services, such as any initial disclosure document, demands and needs, suitability assessments and/or any other document which sets out (i) what commission the broker was paid and (ii) how the broker will (or did) select the finance product***			
<p>*This should include all the pre-contract credit information, including (for transactions prior to 1 June 2021) the SECCI (Standard European Consumer Credit Information form).</p> <p>**If there is a discrepancy between what the evidence shows and the amount paid, please provide an explanation in Section 4 and include any supporting evidence in your submission.</p> <p>***Please also include any documents presented and/or given to the consumer by the broker/dealer at the point of sale that set out the service(s) the broker agreed to provide.</p>			