

## **The complaint**

Mrs F complains that J P Morgan Europe Limited trading as Chase declined her disputed transaction claim.

## **What happened**

In November 2023 Mrs F purchased a 3D laser printer from a merchant and paid using her Chase debit card.

Mrs F discovered that the item was faulty and contacted the merchant to request a refund, who advised her to contact the manufacturer directly.

Mrs F contacted Chase and asked for a disputed transaction claim to be raised so that she could get her money back. Chase asked Mrs F to provide evidence in support of the claim. Mrs F sent screenshots of the communications between her and the merchant.

Chase asked Mrs F to provide evidence that she'd contacted the manufacturer. Chase also requested a copy of the manufacturer's warranty and asked Mrs F to arrange for someone to inspect the 3D laser printer and provide an independent report detailing the fault.

Mrs F wasn't happy to do this. She felt that this went outside of the chargeback requirements and was unhappy that Chase wouldn't cover the cost of the report. She raised a complaint.

In its final response, Chase said that the merchant's terms and conditions stated that in order to obtain a refund the item needed to be returned within 28 days of purchase. And that because this hadn't happened the merchant had asked Mrs F to contact the manufacturer. Chase said that due to the lack of evidence that there was a fault, it couldn't take the chargeback forward.

Mrs F remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. She said she didn't think it was unreasonable for Chase to have asked Mrs F for evidence that she'd contacted the manufacturer so that they could assess whether the chargeback claim was likely to be successful. The investigator said that whilst she understood Mrs F's dissatisfaction that she had been asked to obtain an independent report to evidence the fault, the key issue here was that the merchant's terms and conditions for a refund were 28 days and Mrs F had contacted the merchant outside of that time period. The investigator said that in the circumstances, she didn't think Chase had acted unfairly by not taking the chargeback forward.

Mrs F didn't agree so I've been asked to review the complaint.

## **What I've decided – and why**

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

When dealing with chargebacks, banks and providers of credit need to do so within the remit

of the rules set by the relevant card scheme.

Chargebacks are a voluntary scheme. How it works is that the card issuer checks the complaint against the possible chargeback reasons to see what sort of evidence is required. This is so it can decide whether it can make a successful claim for the customer. Card issuers don't have to submit claims and will only do so if they believe they have evidence that will support a chargeback claim so that it will be successful. This service expects card issuers to help if they can, but we don't expect them to raise a chargeback if there is little prospect of success.

I've looked at the information which was available to Chase to see if its decision not to proceed with the chargeback was fair and reasonable.

Chase has the merchants terms and conditions available to it. These state that in order to receive a full refund, items must be returned within 28 days. Because Mrs F tried to return the item outside of this timescale, the merchant referred her to the manufacturer.

I can see that Mrs F told Chase that she'd tried to contact the manufacturer but hadn't been able to speak to customer services. Chase told Mrs F that it still needed to see correspondence between Mrs F and the manufacturer together with a copy of the warranty for the item so that it could assess the disputed transaction claim.

I've looked at the other information that Chase had available. Mrs F provided Chase with screenshots of the conversations she'd had with the merchant. It's clear from the screenshots that Mrs F highlighted a fault, but because she didn't take matters further by contacting the manufacturer, there isn't any evidence to confirm that the fault exists.

I can see that Chase asked Mrs F to obtain further evidence in the form of an independent report. I appreciate that Mrs F felt that this request fell outside of the Mastercard chargeback rules. However, I don't think the request was unreasonable, because there wasn't enough evidence for Chase to take the chargeback forwards.

I've thought about whether Chase acted fairly and reasonably by not taking the chargeback forwards. The merchants terms and conditions clearly state that items which are faulty could be returned within 28 days. Mrs F didn't meet this timescale, so on this analysis the chargeback had no prospect of success as against the merchant. I've considered whether the warranty changed this. However, Mrs F didn't provide Chase with a copy of the warranty and didn't provide Chase with any evidence of her attempts to contact the manufacturer. In these circumstances, I don't think it was unreasonable for Chase to say that there wasn't enough evidence to take the chargeback forward.

I appreciate that Mrs F has referred to her consumer rights and the fact that the item developed a fault within 6 months of purchase. I agree that Mrs F has rights under the Consumer Rights Act 2015 here and these may well be relevant to any further correspondence she has with the merchant and/or the manufacturer, or indeed, to any further action she may take against the merchant and/or the manufacturer. However, the legislation I've mentioned above doesn't impact on the chargeback scheme because this is a voluntary scheme operated by Mastercard, not a legal right.

Taking everything into account, and for the reasons I've explained above, I'm unable to say that Chase has acted unfairly or unreasonably here. So, I won't be asking them to do anything further.

**My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 30 December 2024.

Emma Davy  
**Ombudsman**