

The complaint

Mr J complains PayPal UK Ltd won't refund him for an item he purchased.

What happened

Mr J bought a camera from a UK website and it was delivered sometime later. Mr J tried to put a memory card in, and it wouldn't work.

Mr J contacted the retailer and returned the camera. The retailer said Mr J likely damaged the camera but agreed to replace it. Mr J received the replacement camera but began looking into things further with the manufacturer.

The manufacturer said the camera was grey market, or a parallel product, so it was the right make and model but not meant for the UK market. This meant the camera didn't have a manufacturer's warranty.

Mr J contacted PayPal and raised a claim under its buyer protection program.

PayPal told Mr J he was too late to raise a claim, it had to be raised within 30 days of delivery. Mr J sent PayPal proof his claim was logged in time, but PayPal repeatedly told him he was out of time.

PayPal then told Mr J the product wasn't significantly not as described (SNAD), so it wouldn't agree to refund Mr J. PayPal said it had logged things as a billing dispute, its review was complete, and PayPal felt things had been successfully resolved.

Mr J disagreed and brought his complaint to this service. An investigator looked into things and although they thought PayPal was right to say the camera wasn't SNAD, the investigator thought PayPal had provided poor service, and should pay Mr J £100.

The investigator said the emphasis of SNAD was on the item itself, not any cover or warranty. The investigator said since they didn't think the camera was SNAD, PayPal didn't have to refund Mr J.

PayPal accepted the investigator's assessment and agreed to pay £100.

Mr J didn't accept the outcome and believes he's been scammed. Mr J feels PayPal is irresponsible for not supporting him or investigating the seller.

Mr J said the replacement camera was also SNAD and he had a legal right to a 14 day refund. Mr J said the condition of the camera was misrepresented, it wasn't new and there was no warranty.

Mr J felt if PayPal had good reason to turn down the buyer protection claim it would have said this at the start and stuck with it rather than changing its reasoning throughout Mr J's

contact with it.

Mr J said the manufacturer said there should be a warranty with the camera and Mr J thinks the camera's serial number and selling mark has been falsified. Mr J said a consumer advice company says he has a legal right to a refund here.

Mr J asked for an ombudsman to decide things.

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.

It's very clear Mr J has lost faith with the retailer he bought the camera from. I can see Mr J had lengthy correspondence with the seller and felt forced into accepting a replacement camera after being accused of breaking the first one.

I can see Mr J's reported the seller to various places, because he's so unhappy with the way it seems to be carrying out its business.

I can also see how much research Mr J's done into the camera, its source, whether the manufacturer is happy with the sale and what his legal rights might be.

But I'm only deciding a complaint against PayPal, and whether it's fairly declined a buyer protection claim, I can't consider any service the retailer provided or Mr J's experience with the retailer when trying to return the first camera.

Mr J didn't raise a buyer protection claim for the first camera, and returned it to the retailer. And I think this is where some of the confusion from PayPal stems from.

Mr J agreed to a replacement camera with the retailer on 8 August. Mr J says he felt forced into this replacement, but I think this is something to take up with the retailer not PayPal. The buyer protection claim was logged on 13 August, on this replacement camera.

In one of PayPal's responses it says it can't consider a SNAD claim as the item was replaced and might not be the same condition. But I don't think this is fair, as the second camera was a replacement, not a repair.

Mr J was sent a new replacement of the exact same camera, so I think it would be unfair for PayPal to say Mr J couldn't then raise a SNAD claim for the replacement, if it was faulty in some way.

I'm satisfied Mr J could raise a buyer protection claim, and it was in time. There were lots of messages between Mr J and PayPal about whether or not he raised his claim within the 30 day window, and I think he did.

Although the retailer says cameras will arrive the next day, it's clear Mr J's didn't. And the 30 days run from the date of delivery, not the date of purchase.

So, there was inconvenience caused to Mr J around PayPal's continued insistence his claim had been raised too late. And I can see PayPal turned down Mr J's claim for other reasons, so I think this will have caused further inconvenience.

Mr J has responded to each point of decline, and several times he says the buyer protection claim relates to both cameras, but I don't think it can or does.

Mr J received a replacement camera, and I need to decide whether this camera was SNAD or not. I think any issues with the first camera were resolved when Mr J received the replacement camera.

So, I'm not considering anything about the first camera, whether it was broken at the point of sale, Mr J damaged it, or the retailer did.

When Mr J received the replacement camera, he began researching it and found it was a grey market product. I don't think the fact the camera is grey market makes it SNAD.

It may be considered differently from a consumer law point of view, but I need to look at what PayPal says SNAD is in its buyer protection program.

PayPal lists several reasons it might consider an item SNAD, and several don't apply to Mr J. The ones I think might be relevant to the second camera are if:

- *The item is materially different from the seller's description of it.*
- *You received a completely different item.*
- *The condition of the item was misrepresented. For example, the item was described as "new" but the item was used.*
- *The item was advertised as authentic but is not authentic (i.e. counterfeit).*
- *The item is missing major parts or features and those facts were not disclosed in the description of the item when you bought it.*
- *The item is unusable in its received state and was not disclosed as such.*

I'll address the points I think might be relevant, but I don't think apply, then move to the two where Mr J might have a claim.

I don't think the camera is materially different from the seller's description, it's the right make and model. And this also means I don't think Mr J received a different item.

I also think the camera is an authentic product made by the genuine manufacturer. It might well be the camera was destined for a different market, but I don't think this makes it counterfeit.

And Mr J's not said anything to suggest the camera doesn't work, it seems he hasn't used it. Mr J says the replacement camera is still in its packaging, unused, so, I don't think the last point applies to a buyer protection claim either.

I think the issues Mr J's raised would likely fall under the third and the penultimate point.

Mr J says the condition of the camera has been misrepresented. Mr J says the camera isn't new but hasn't evidenced this, other than, I think, Mr J's loss of faith in the retailer. I think the camera is new, in its packaging, but perhaps sent with an already opened box.

Mr J also says the camera was misrepresented as the retailer's website says it comes with a two year warranty but the manufacturer has said its warranty wouldn't apply.

I've looked carefully at the retailer's website and the advert, and it doesn't say the cameras on the site, or the one Mr J purchased, come with a manufacturer's warranty. In fact, going to the warranty part of the website it specifically references this:

Most of the Consumer Electronics products on our website come with a manufacturer warranty. Where the manufacturer warranty does not exist you are covered by our own retailer warranty. Under UK and EU Legislation you have a minimum two year warranty for all consumer electronics products.

The terms and conditions then lay out, in more detail, where the warranty would and wouldn't apply. I think this says the camera Mr J bought comes with a warranty.

I accept this might not be the warranty Mr J wanted, but I don't think the retailer misrepresented the warranty as a manufacturer's one or isn't supplying one at all.

I realise this may come across as focussing too much on small details, but I have to be mindful PayPal's buyer protection policy is within PayPal's terms and conditions, and not a statutory right to a refund.

I need to be satisfied the purchase of the camera specifically breached PayPal's terms to be able to tell PayPal it must consider the buyer claim and refund Mr J.

I can't see the retailer has misrepresented the camera, it's the make and model Mr J ordered, appears to be new and has a warranty.

And the warranty also means the I think other point for a claim falls away. Mr J says the camera was missing a feature, the warranty, but I think it comes with a warranty. I don't think the camera was missing a part or feature.

Mr J's said the baseplate on the camera might have been changed to show a UK mark, and the manufacturer has said this shouldn't be there. I think this is beginning to move into trademark issues, and not the condition of the camera.

The manufacturer doesn't want grey market products sold in markets they're not destined for, but I don't think this makes the camera misrepresented. I think this is an issue for the manufacturer to take up with the retailer.

Mr J feels he's been scammed, and he may well have legal rights to a refund under consumer law. But I think this consumer law would be relevant to the relationship between Mr J and the retailer.

PayPal facilitated the payment for Mr J, it didn't sell him the camera. If Mr J feels consumer law is relevant to the sale and lack of refund for the camera, then I think he needs to take this up with the retailer. And I'd recommend Mr J get some legal advice first.

Mr J also feels PayPal should be supporting him and investigating the retailer. Again, PayPal only facilitated the payment for Mr J, I don't think it needs to investigate the retailer, I think this would be a matter for the other bodies Mr J's already contacted to take forward.

And I think PayPal's support extends to whether the camera fits under any of its buyer protection claim terms for SNAD. I don't think the replacement camera does.

But PayPal didn't handle Mr J's claim well and gave confusing and conflicting reasons for not agreeing to the buyer protection claim.

Mr J has also said one of PayPal's staff agreed the camera was SNAD. I've read what Mr J says the staff member said, and I think this was a reflection of what Mr J said. I don't think PayPal accepted the camera was SNAD, I think it was recapping Mr J's complaint.

So, I don't think Mr J's claim is successful because of PayPal's poor service, apparent acceptance of the camera being SNAD or incorrect reasons for declining the claim.

But I think Mr J was caused unnecessary inconvenience, having to repeat himself several times and given incorrect and different reasons for his claim being declined.

I think PayPal reached the right outcome, but should compensate Mr J for the poor service he experienced, and I think £100 is fair in the circumstances.

I realise Mr J will be unhappy with this outcome, and I can see his strength of feeling about this matter. But I think Mr J's issues lie with the retailer and not PayPal, and I can't consider whether the retailer treated Mr J fairly and reasonably.

My final decision

My final decision is I uphold this complaint and PayPal UK Ltd should pay Mr J £100 to compensate for the inconvenience caused by its inconsistent responses.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 14 May 2025.

Chris Russ
Ombudsman