

The complaint

Mrs S complains that JAJA FINANCE LTD (JAJA) declined her claim for a payment made using her JAJA credit card.

What happened

My provisional decision of 30 July 2025 set out the background to this complaint:

“In March 2024, Mrs S bought tickets for a concert due to take place in September 2024, when she’d be on holiday in the United States of America (USA). Mrs S bought the tickets from a company I’ll refer to as B.

In August 2024, Mrs S was notified that the concert had been rescheduled for June 2025. So, the concert wouldn’t happen whilst Mrs S was in the USA on holiday, so Mrs S requested a refund from B. B explained that, under its terms and conditions, Mrs S wasn’t entitled to a refund because the date had been rescheduled. Instead, it offered her a refund of the service fee or a voucher of around \$408 to attend a different concert. Mrs S didn’t accept either offer and contacted JAJA.

JAJA considered Mrs S’s claim for a refund under Section 75 of the Consumer Credit Act 1974 (‘Section 75’). JAJA concluded there was no breach of contract on B’s part as B’s terms and conditions says that if an event was postponed or rescheduled, the original tickets are valid for entry at the time of the re-scheduled event and her order would not qualify for a refund. Mrs S complained but JAJA didn’t uphold it, so she referred the complaint to our service.

One of our Investigators reviewed this complaint but didn’t uphold it, saying it was reasonable for JAJA not to attempt a chargeback as it wouldn’t have succeeded. The Investigator also thought JAJA’s decision to decline Mrs S’s Section 75 claim was reasonable as the terms and conditions of the booking set out no refund was due if the event was re-scheduled.

Mrs S didn’t accept this, saying the terms were unfair and she wasn’t able to re-sell the tickets as she was in a different country from where the event took place. So, this has come to me for a decision.”

My provisional findings were as follows:

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint. And whilst I have considered the information submitted by all the relevant parties but won’t be commenting on it all – only what I consider to be crucial to the outcome of this complaint. This isn’t intended as a discourtesy to either party but reflects the informal nature of our service.

Mrs S has made reference to another Ombudsman’s decision on a different complaint that she thinks shows she is entitled to a refund. I’m not going to comment on that decision as every complaint we consider is considered independently based on the individual

circumstances of that complaint. Instead, I've considered whether JAJA acted fairly in light of its limited role as a provider of financial services. In doing so, I've thought about how it could have helped recover her money. In that respect, I consider the relevant chargeback scheme and Section 75 to be particularly relevant.

Chargeback

Chargeback provides an avenue for a bank to raise a dispute with a merchant where something has gone wrong. However, it doesn't cover all eventualities, and it isn't a legal right. It is good practice to raise a chargeback where it has a reasonable prospect of success. It isn't confirmed whether VISA or Mastercard is the relevant scheme here but, having reviewed the chargeback rules set out by both schemes, I cannot see any grounds on which a chargeback would have likely been successful. There isn't, for example, any evidence to show that B promised a refund but failed to provide one. There is also nothing to show the service provided by B was not as described – its terms and conditions clearly say that tickets are valid for rescheduled events. As I don't think a chargeback would have succeeded, I think it was reasonable for JAJA to choose not to raise one.

Section 75

In certain conditions, Section 75 allows a customer to submit a claim for breach of contract or misrepresentation by a supplier (B) to their credit provider (JAJA). Even if I were to conclude the technical conditions for a claim had been met, I don't think the claim should be upheld. I'll explain why.

It's not in dispute that the terms and conditions say if an event is rescheduled, the order will not qualify for a refund. There is no evidence to suggest B misrepresented anything by telling Mrs S she would be entitled to a refund if the concert was rescheduled. As the event was rescheduled and went ahead, there is no right to a refund under B's terms and conditions. Overall, there is no evidence to show misrepresentation on B's part or that B breached its contract with Mrs S by declining to offer her a full refund. So, I think JAJA was reasonable to decline Mrs S's claim on the basis

In response to our Investigator, Mrs S has argued B's terms are unfair and, therefore, not enforceable. Mrs S has referred to the Consumer Rights Act (CRA) 2015, and sections 50 and 57 in particular. It is important to explain the Financial Ombudsman Service is an informal alternative to the courts, and I have no power to determine whether a contract term is legally enforceable or not.

As Mrs S is aware, B's terms and conditions say the laws of the State of Connecticut apply to the contract. Section 74 of the CRA says that the unfair terms provisions will apply to the contract notwithstanding a choice of law clause, if the contract "has a close connection with the United Kingdom". It isn't clear there is a close connection with the United Kingdom here, given Mrs S was buying tickets from a USA based website for a concert in the USA – it's not certain Mrs S's residency in the United Kingdom is enough to say the CRA would apply here. But as I don't think this makes a difference to the outcome here, I've assessed her case as if the CRA does apply.

Turning to the fairness of B's terms, Section 62 of the CRA sets out that a term of a contract is unfair if it causes a significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. Schedule 2 of the CRA goes on to give examples of contract terms which may be regarded as unfair because a significant imbalance in the rights of the parties has been created.

Having reviewed Schedule 2, I cannot see that B's terms fall into any of the categories set

out in the schedule. For example, the terms and conditions were available on the website for Mrs S to become acquainted with before purchasing tickets – she wasn't bound to terms only available after her ticket purchase. Similarly, this isn't a case of B being able to retain money without fulfilling the contract. Mrs S may argue a significant imbalance is created as the concert date has been changed without the option of a remedy, but the event scheduling wasn't within B's control. And I think it's important to note it isn't the case that Mrs S was left without any remedy here - B offered her two options that would have compensated her in part.

Turning to Section 50 of the CRA, Mrs S says the date of the concert was a term of the contract. Section 50 of the CRA sets out that "every contract to supply a service is to be treated as including as a term of the contract anything that is said or written to the consumer, by or on behalf of the trader, about the trader or the service, if... it is taken into account by the consumer when deciding to enter into the contract." Section 57 of the CRA says a term of a contract to supply services is not binding on the consumer if it excludes their liability arising under Section 50.

If the date of the concert was a term of the contract, it must still be considered alongside everything else said to Mrs S – including B's terms and conditions. And as I've said above, I think B's terms and conditions set out what would happen if the event was rescheduled – tickets were eligible for the rescheduled date, and a refund would only be given for a cancelled event. I don't think Mrs S has shown she can rely on the date being a term of the contract in isolation from the established terms and conditions of the contract. And as I've set out above, I've not seen anything in the terms and conditions that makes me think JAJA should have regarded those terms as unenforceable and, therefore, that Mrs S was entitled to a refund for the rescheduled event.

JAJA decided not to accept Mrs S's arguments about the validity of B's terms, which I think was a reasonable decision for the reasons set out above. I think JAJA was, therefore, reasonable in relying on B's terms when determining whether there was a breach of those terms when assessing Mrs S's Section 75 claim and its decision to decline it was also reasonable.

JAJA accepted my provisional decision. Mrs S said she had nothing further to add.

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.

As I've not been presented with any new evidence or arguments to consider, my provisional decision set out above remains unchanged.

My final decision

For the reasons set out in my provisional decision above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 9 September 2025.

Victoria Blackwood
Ombudsman