

## **The complaint**

Mr K complains that Lendable Ltd trading as Zable didn't do enough to help him when he told it about a dispute he had with a merchant. This was over services Mr K paid for using his Zable credit card.

## **What happened**

In January 2025 Mr K paid £150 to a merchant I'll call "X" for assistance with completing an ID card application. X is a company that offers customers a service to submit certain applications on their behalf.

Mr K says that the application was never processed and he believes it was a fraudulent company. Mr K complained to X who eventually gave Mr K a refund of £75. Unhappy with this, Mr K looked to Zable to refund the remaining balance.

Zable investigated the dispute, but ultimately didn't raise a chargeback as it thought there was insufficient evidence to conclude that the service wasn't provided. It also didn't think there was evidence of a breach of contract or misrepresentation which is required for a s.75 Consumer Credit Act 1974 claim (CCA). Mr K raised a complaint and Zable maintained its position. Unhappy with Zable's response, Mr K referred his complaint to our service.

One of our investigators considered the complaint but didn't uphold it. They also didn't think there was sufficient evidence to support a chargeback or that there had been a breach of contract or misrepresentation. So, they didn't think Zable were wrong to decline Mr K's s.75 CCA claim.

## **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.

Having done so, I'm not going to uphold this complaint. I appreciate that this will be disappointing for Mr K.

I've read everything that the parties have said, but I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. And our rules allow me to do this. This reflects the nature of our service as a free and informal alternative to the courts.

There were two ways Zable could have looked to recover Mr K's funds, either through a chargeback or a s.75 CCA claim.

### ***S.75 CCA claim***

When something goes wrong with goods or services and the payment was made, in part or whole, with certain types of credit, it might be possible to make a s.75 CCA claim. This section of the CCA says that in certain circumstances the borrower under the credit

agreement can make a like claim against the credit provider, as they can against the supplier, if there's been a breach of contract or misrepresentation.

Having reviewed X's terms and conditions I can see that X says payments are non-refundable and it is not responsible for unsuccessful applications. Specifically, it states:

*"Once the application has started, card fees are non-refundable"*

It also goes on to say that:

*"We are not responsible for deferral or rejection of the application."*

So it's clear from this that X offers assistance with completing and submitting applications, however it doesn't guarantee an applicant will be successful.

I've also reviewed the evidence of the exchanges X has had with Mr K via text message. I can see X took steps to gather supporting documentation (and again it states in its terms and conditions that this will need to be provided, and it is the responsibility of the customer to provide it.) X also provided Mr K with a draft application to review before submitting. Mr K's application was ultimately unsuccessful.

The dispute that was raised was that X didn't provide the service offered and the evidence I have suggests that it did. And although X did eventually give a partial refund, Mr K wasn't entitled to a full refund under the terms and conditions. In addition, I don't think Zable had sufficient evidence to suggest that X failed to exercise reasonable care and skill when delivering the agreed service. The decision to reject the application wasn't X's to make and it's clear X took a number of steps to gather the information needed to support the application. So I don't think there's sufficient evidence of a breach of contract by X.

Taking everything into consideration, I don't think Zable treated Mr K unfairly by rejecting his s.75 CCA claim.

### *Chargeback*

A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. It allows customers to ask for a transaction to be refunded in a number of situations, some common examples being where goods or services aren't provided, or where goods or services aren't as described.

There's no automatic right to a chargeback; the chargeback process doesn't give consumers legal rights; and chargeback is not a guaranteed method of getting a refund because chargebacks may be defended by the merchant. This is because the rules, set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed. If a financial business thinks that a claim won't be successful, it doesn't have to raise a chargeback. But where there's a reasonable chance of success, I'd expect a financial business to raise a chargeback.

In this case I can see Zable investigated the chargeback, requesting further information from Mr K. However, as explained above, the evidence suggests that the service was provided and that Mr K wasn't entitled to a full refund. So I agree that the chargeback had little prospect for success, and I don't think Zable acted unfairly by not raising a chargeback claim.

**My final decision**

For the reasons explained above, I don't uphold this complaint against Lendable Ltd trading as Zable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 17 October 2025.

Claire Lisle  
**Ombudsman**