

The complaint

Mr T has complained about how MBNA Limited (MBNA) handled his request for a refund.

What happened

In July 2023, Mr T made a payment of around £420 for a set of sporting equipment using his MBNA credit card.

Mr T explained that within the first six months one of the items within the set was faulty and he agreed a repair with the supplier. He explained that another item within the set developed a fault around a year after he was supplied with the set. He tried to resolve matters with the merchant, but was unhappy that he wasn't offered a repair or replacement and instead was offered a store credit if he returned the full set. Unhappy with this, he contacted MBNA to ask it to assist him in getting a refund around June 2025.

MBNA gathered some further information from Mr T and in mid-July 2025 it wrote to him to explain it had declined his section 75 claim, as set out in Section 75 of the Consumer Credit Act 1974 (CCA). MBNA acknowledged that a repair had taken place in the first six months and said this resolved matters. It said the second issue was with a separate item within the set, which came about more than six months after supply, and said that MBNA did not accept that the claim for the first repair extended the supplier's liability to within the first six months. It said the supplier had offered a credit note for the full amount, if the full set was returned and noted that the warranty sets out that in the event of a repair or replacement not being possible, a refund minus a deduction for depreciation would be given. It said that as this had been offered, the supplier had acted in accordance with the warranty. It said as the items had been in Mr T's possession since 2023, a proportional refund was acceptable and reasonable. It offered to review the claim again if new information was provided.

Mr T raised a complaint. In its response MBNA said it was unable to offer a refund under Section 75, because it felt the supplier had acted in line with their terms by offering either a full store credit or a refund with a deduction for fair use, which it said was fair. Unhappy with this response, Mr T referred his complaint to this service for an independent opinion.

One of our Investigators looked into the complaint. She noted that Mr T had confirmed he had received a refund since referring his complaint to this service and his updated requested resolution was a refund of his postage costs, around £20 plus interest and £300 compensation for the distress and inconvenience MBNA caused due to its handling of the claim and delays. She said that after the first issue, Mr T asked for a repair. She said that after a second issue was reported in October 2024, it came to light in June 2025 that there was a defect that made the goods of unsatisfactory quality and noted that the remedy offered by the supplier was fair, given that the Consumer Rights Act 2015 (CRA) allowed for deductions for use. As such she didn't think MBNA treated Mr T unfairly by agreeing that the suppliers offer of a refund with a deduction for use was a fair remedy. Overall, she felt MBNA reached a fair outcome based on the information available.

Whilst she empathised with what Mr T had been through, she said she didn't think MBNA had caused a delay or handled the claim poorly. She noted that the supplier's terms said it

didn't have to reimburse the postage costs, noting that a £20 voucher had been provided by the supplier to help cover the cost of returning the first golf club. As such, she didn't think MBNA treated Mr T unfairly by not reimbursing the cost of the postage.

Mr T didn't agree. He said MBNA had failed to evaluate his evidence and consider the timeline of what had happened. He said he first contacted MBNA in April and given it didn't respond until June, it caused an excessive delay.

As an agreement could not be reached, the complaint has been passed to me to decide.

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.

In considering what's fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

I'm aware I've summarised the events of the complaint to some degree. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr T and MBNA that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I will only be considering MBNA's actions up until the final response letter because the events leading up to this were considered by MBNA as part of this complaint. Should Mr T want to complain about anything else, including how his subject access request was handled, he will need to contact MBNA directly to raise his concerns. Should Mr T be unhappy with any of MBNA's responses to any further complaints raised, we may be able to consider a complaint if he refers it to us.

I'd like to start by saying how sorry I was to hear about the impact the issue had on Mr T and thank him for sharing this. To be clear I am only determining whether MBNA treated Mr T fairly in how it handled the dispute, and not the actions of the supplier, as their actions do not fall within this service's remit. Whilst there may have been issues, it doesn't necessarily mean that MBNA treated Mr T unfairly.

In certain circumstances, Mr T can make a like claim against MBNA for any breaches of contract or misrepresentations by the supplier of goods or services, when payment is made via credit card. This is through a Section 75 claim.

In order to say that MBNA treated Mr T unfairly in how it handled his claim, I'd need to be satisfied that the necessary criteria had been met and if so, that a breach of contract or misrepresentation had been evidenced. I'm satisfied that the necessary criteria was met and so I've gone onto think about whether MBNA treated Mr T unfairly when it declined his claim.

I've thought about the other applicable laws, which includes the CRA. This says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory". The quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

The CRA sets out that goods which do not conform to the contract at any time within the period of six months, beginning with the day on which the goods were delivered to the consumer, must be taken not to have conformed to it on that day. Unless it's established the goods did conform to the contract on that day, or that the application is incompatible with the nature of the goods or with how they fail to conform to the contract.

The CRA also says that if goods do not conform to the contract, the available remedy would be repair or replacement, followed by either a price reduction or final right of rejection, when issues arise after 30 days of supply.

Mr T first experienced issues with the goods in 2023, within the first six months of supply and accepted a repair. Given what I've said above about the available remedies, I can understand why MBNA felt this was an appropriate remedy for this issue, when it was made aware of it close to two years later. Mr T explained to MBNA in June 2025, that he experienced further issues with the goods in 2024, and he provided evidence from the supplier to confirm the goods had been inspected and were confirmed to be faulty in June 2025 and the supplier said the following:

'As advised, you will not receive a monetary refund as in line with Consumer Law, this is only applicable on order faulty within the first 30-days of receipt, you would receive a credit in the form of a voucher for the full value of the set. Under Consumer Law, if you do insist on a monetary refund, we are entitled to discount that refund based on the condition of the set and the time that you have had the set for which is 22 months. Again, we would need to review the condition of the full set, before a decision would be made regard to the amount.'

Mr T did not feel this was a fair remedy and MBNA said it was. It's not in dispute here that there was a fault that made the goods of unsatisfactory quality, which was confirmed following an inspection around June 2025. So the question here is whether Mr T was offered an appropriate remedy or not and as such whether MBNA treated him fairly in how it handled his Section 75 claim. Section 24 (8) of the CRA sets out that:

'If the consumer exercises the final right to reject, any refund to the consumer may be reduced by a deduction for use, to take account of the use the consumer has had of the goods in the period since they were delivered...'

Given that the second issue came about more than six months after supply and Mr T has confirmed he had use of the goods since being supplied with them, albeit not for the full time since supply, I don't think it was unreasonable for MBNA to conclude that the supplier had offered him a suitable remedy by allowing him to reject the goods, along with a refund, less a deduction for use. Given that Section 75 allows for a like claim against MBNA, as Mr T could have against the supplier, if a fair remedy had already been offered, then MBNA wouldn't have had liability to do anything more. In this case, I can appreciate why MBNA felt a fair remedy had been offered and as such, I don't think MBNA treated Mr T unfairly by declining his Section 75 claim.

Since MBNA concluded Mr T's claim and complaint, the supplier has issued Mr T with a full refund. So even if MBNA had unfairly declined Mr T's claim, I think this would have been more than enough to resolve matters, given that his refund was not subject to a deduction for fair use, something that MBNA would have been entitled to factor into any resolution. Mr T has also claimed for the cost of postage, around £20. Given that any deduction for fair use would likely have been significantly more than £20, I think Mr T has received more than I could fairly hold MBNA liable to refund to him and as such, I can't fairly ask it to reimburse the financial losses he has claimed in addition to the full refund he received.

I've also thought about whether MBNA treated Mr T unfairly by declining his claim in light of the supplier's terms and conditions and associated warranty. The supplier's terms and conditions set out that it would arrange for the manufacturer to inspect and either repair or replace items if issues arise within the first 12 months, which is what appears to have happened. And the warranty says that any refund due would have a deduction for reasonable depreciation based on actual use. As such, I don't think that Mr T had shown that the supplier breached its terms and conditions, in light of the suppliers offer, and so I don't think MBNA treated Mr T unfairly when it declined his claim.

Mr T has raised concerns about how MBNA dealt with the claim overall. He said he experienced delays, which has had a great impact on him. Mr T says he first contacted MBNA in April 2025. I haven't seen any evidence of this and the evidence provided shows he first made contact around June 2025. Shortly after this, MBNA reached out to Mr T to gather further information, before providing an answer around mid-July. I'm not persuaded that MBNA caused any avoidable delays.

Following this, correspondence continued and I note that on 18 August 2025 Mr T was told by an advisor that she hoped to provide a result in the next couple of days. MBNA issued its final response four days later and so whilst I appreciate Mr T was keen for a response sooner, I don't think a delay was caused. Overall, I think that MBNA dealt with the claim quickly and fairly, having given Mr T an opportunity to provide supporting evidence, before providing a response. As such, I don't find that MBNA caused Mr T detriment and so I can't fairly ask it to pay him compensation. And I can't fairly hold MBNA responsible for any distress and inconvenience caused to him by the supplier, as it would not be equally as liable for this under Section 75.

I've also thought about whether there were any other ways in which MBNA could have supported Mr T, for example through a chargeback, which is another available way in which payments made on a credit card can be disputed. However, as a chargeback can only be raised within 120 days of the purchase or delivery date and because Mr T contacted MBNA more than 120 days after he took delivery of the goods, around two years later, it was not possible for a chargeback to be raised. It follows that I don't think MBNA treated Mr T unfairly by not considering a chargeback.

Whilst I appreciate that this will likely come as a disappointment to Mr T, I don't think that MBNA treated him unfairly. Considering that a Section 75 claim was a like claim against MBNA that Mr T could have against the supplier, I don't think it was unreasonable for MBNA to consider the supplier's offer and concluding that was reasonable before declining his claim, which I think it did without delay. I understand that Mr T has since received a full refund, but that doesn't persuade me that MBNA dealt with the claim unfairly, based on the information it had at the time. It follows that I will not be asking MBNA to do anything more.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 April 2026.

Daniella Roberts
Ombudsman