

## **complaint**

Mr B complains that WorldPay (UK) Limited did not do enough to defend a chargeback request on a card payment he had taken for his business.

## **background**

Mr B used WorldPay to process card payments made to his business. He took a 'card not present' type transaction for a deposit, which the customer later challenged through their bank resulting in a chargeback request being made to WorldPay.

Mr B did not accept that the transaction should be charged back and provided WorldPay with evidence to support his position. WorldPay defended the charge back, but the card issuing bank continued to press for a chargeback on the basis that there was no documentation to show that its customer had been made aware of the cancellation policy and no signed terms and conditions had been supplied.

WorldPay then accepted the chargeback and debited Mr B's account with the transaction. It says that it was not in a position to do more, given the card scheme rules that applied. Mr B says that his customer was lying, and considers that the totality of his communications with the customer made it clear that the deposit would not be refunded if they were unable to go ahead with the contract.

As things weren't settled, Mr B brought his complaint to this service where an adjudicator investigated it. From the evidence, the adjudicator considered that WorldPay had not acted unreasonably in accepting the chargeback and so did not recommend that the complaint should be upheld.

Mr B did not agree with the adjudicator and said, in summary:

- The contractual requirements that this customer would have to fulfil were clearly stated in his literature, website and office. He also always makes this clear in his discussions with potential customers.
- He made it very clear to this customer that once the deposit is paid it is non-refundable. The customer is not being honest.
- The customer went ahead but then contacted his office a few days later to say they were having difficult fulfilling requirements. It is not true that the customer was told at that point that the deposit would be refunded – he has now provided a statement of truth from the member of staff involved.
- He later tried to arrive at a compromise with this customer, but they have tried every route to get their money back and have been dishonest.
- Although the transaction was processed as 'card not present' there is a card terminal at the office and this does not distinguish between transactions. So the customer could just as well have been present.
- His business is out of pocket, as he paid money from the deposit to a third party in good faith.

- An email to his customer should be sufficient to create a contract and should be taken as evidence that the customer agreed to the deposit being non-refundable.

### **my findings**

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

The issue I must decide is whether or not WorldPay acted reasonably in allowing the chargeback, given the terms and conditions of Mr B's account with it and also given the rules of the card schemes.

Having those things in mind, and looking at the evidence, I am satisfied that WorldPay did its best to defend the chargeback using the information (including the email to the customer) that Mr B had provided. I do not see that WorldPay was in a position to do more, in the circumstances here.

Mr B says that his customer lied to get their money back, and points to the totality of his dealings with them to demonstrate that they should have known that the deposit they paid would not be refundable in any circumstances. But I can't investigate or determine the dispute between Mr B and his customer – that is an entirely separate matter which falls outside the scope of this complaint about WorldPay.

The terms and conditions of Mr B's account with WorldPay, and the operating instructions issued to him, made clear that transactions are subject to card scheme rules and cannot be guaranteed – and that there are additional risks to the merchant in processing 'card not present' transactions.

### **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 B to accept or reject my decision before 23 October 2015.

Jane Hingston  
**ombudsman**