

## **The complaint**

Mr G complains about the way a chargeback dispute was handled by PayPal (Europe) Sarl et Cie SCA (PayPal).

## **What happened**

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

*In November 2022 Mr G sold two event tickets to a third party and the funds were paid to his PayPal account. Mr G has provided evidence from the online ticket retailer he used to sell the tickets that they were transferred to a buyer on 11 November 2022.*

*The buyer went on to raise a chargeback dispute via their bank and card provider. PayPal says it asked Mr G for evidence that the tickets he sold had been delivered and received by the buyer. PayPal says Mr G provided online chat logs but didn't provide evidence the items had been received by the buyer. Mr G, in turn, says he sent PayPal the systems evidence he had from the online ticket retailer to show they had been transferred to the buyer on completion of the sale.*

*In December 2022 Mr G was advised his chargeback claim had failed. But PayPal agreed to refund the disputed transaction and dispute fee it applied as a gesture of goodwill.*

*Mr G complained and explained he was concerned that PayPal's decision not to attempt to retrieve his funds via the Seller Protection Programme was unfair and would negatively impact how his account was viewed in the future. PayPal didn't agree that it had acted unfairly and didn't uphold Mr G's complaint.*

*An investigator at this service looked at Mr G's complaint and upheld it. They thought Mr G had provided compelling evidence to show the tickets he'd sold had been delivered to the buyer. The investigator thought Mr G had needed to make an unreasonable level of calls to PayPal and that the process of dealing with the dispute had caused unnecessary trouble and upset. In addition, the investigator said PayPal needed to refund the dispute fee it had applied. The investigator asked PayPal to pay Mr G £150 for the distress and inconvenience caused. PayPal didn't agree and asked to appeal so Mr G's complaint has been passed to me to make a decision.*

## **What I've provisionally 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.*

*PayPal has explained that the buyer's bank and card issuer upheld his chargeback dispute. PayPal hasn't provided any evidence to show whether enquiries were made with it before the chargeback claim was upheld. But I'm satisfied PayPal correctly explains that the decision about the outcome of the chargeback claim ultimately laid with the buyer's bank and card provider.*

*With that said, PayPal has its Seller's Protection Programme in place to support customers. PayPal's highlighted sections of the agreement and explained Mr G's case wouldn't have met the terms as he didn't provide evidence to support the tickets had been delivered. But the section PayPal highlighted relates to physical goods. Here, Mr G was selling tickets he'd purchased online – there were no physical tickets.*

*PayPal's user agreement contains a section relating to disputes about intangible goods. This section of the agreement says for intangible or digital goods proof of delivery means compelling evidence to show the item was delivered or purchase order was fulfilled. I've looked at whether Mr G has provided compelling evidence.*

*Mr G has forwarded screen prints from the online ticket retailer. They show the transfer was initially sent to the buyer at 8:38pm on 8 November 2022. They further show the transfer was marked as complete by the online ticket retailer at 8:58pm on 8 November 2022. Mr G's confirmed this information was forwarded to PayPal and I see no reason why it wouldn't meet the standard for compelling evidence under the user agreement. In my view, Mr G did provide the necessary information that would've allowed PayPal to raise a dispute on his behalf.*

*I can see there has been a lot of back and forth between Mr G and PayPal. Mr G's given us details of all the contact, including time taken to make calls, when trying to resolve the dispute. I can understand why Mr G grew frustrated at being told the chargeback claim hadn't gone in his favour and that PayPal refused to raise a seller dispute on his behalf. I'm pleased PayPal took the decision to refund the disputed funds to Mr G. But I accept he felt dissatisfied and upset by the way the dispute was handled.*

*I've taken the step of issuing a provisional decision as the investigator issued two sets of findings asking PayPal to refund the dispute fee it applied. But PayPal's supplied systems evidence to show the fee was refunded on 7 December 2022 along with the £50 payment. So I'm not telling PayPal to refund anything else to Mr G.*

*PayPal has confirmed the dispute has caused no negative impact in terms of how it views Mr G's account. And I've seen nothing that shows PayPal will treat Mr G differently as a result of the dispute. But, for the reasons I've given above, I'm satisfied PayPal failed to treat Mr G fairly and caused a reasonable level of distress and inconvenience. So I'm going to proceed in line with the investigator's view and award Mr G £150 for the distress and inconvenience caused.*

*I invited both parties to respond with any additional comments or information they wanted me to consider before I made my final decision. Mr G responded and confirmed he was he had nothing further to add. We didn't hear back from PayPal.*

### **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 neither party has provided new information for me to consider, I see no reason to change the conclusions I reached in my provisional decision. I still think Mr G's complaint should be upheld, for the same reasons.*

**My final decision**

My decision is that I uphold Mr G's complaint and direct PayPal (Europe) Sarl et Cie SCA to settle by paying him £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 January 2024.

Marco Manente  
**Ombudsman**