

complaint

Mr S complains that National Westminster Bank Plc (“NatWest”) stopped the chargeback process it had initiated for a faulty car that he had purchased.

background

Mr S bought a car for £2,495 in April 2014. When it proved faulty, he returned it and paid an additional £1,495 for a different car. This second car also had problems, so NatWest agreed to raise a chargeback request and credited Mr S’s account with £3,990. Mr S then cashed a £1,500 cheque from the retailer “*in full and final settlement of all claims arising from this dispute*”. As a result NatWest stopped the chargeback process and re-debited Mr S’s account. Mr S wants the remaining money refunded.

Our adjudicator did not recommend that the complaint should be upheld. He explained that NatWest hadn’t done anything wrong by stopping the chargeback request as Mr S had accepted the £1,500 as full and final settlement.

Mr S responded to say, in summary, that he thought the £1,500 was compensation, not full settlement for supplying the faulty car.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Much as I sympathise with the position in which Mr S finds himself, I can only consider whether NatWest has done anything wrong with regard to his complaint.

I consider NatWest was right to raise the initial chargeback request and credit Mr S’s account with the money whilst the request was processed. However, once NatWest was informed Mr S had accepted £1,500 in full and final settlement of the dispute, I can’t see it did anything wrong by stopping the chargeback and re-debiting the account.

I accept that Mr S did not realise that the £1,500 was full and final settlement, but I can’t conclude that NatWest should have done anything differently in the circumstances.

However, whilst I cannot uphold the complaint against NatWest, this does not preclude Mr S from using a legal route to reclaim the outstanding money from the retailer.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 9 July 2015.

Amanda Williams
ombudsman