



## Your Litigation Questions Answered

**Q** I recently purchased goods online using my credit card but the items arrived damaged. Am I able to obtain a refund from my credit card provider if the retailer refuses to provide a refund?

**A** Section 75 Consumer Credit Act 1974 makes credit card providers jointly liable with retailers for ensuring that goods comply with the relevant consumer laws. This legislation applies where the consumer makes a purchase on a credit card for an item ranging between £100 and £30,000 and the item is either not delivered, faulty or damaged.

The motivation behind the legislation is to protect the consumer from having to pay off debt for an item not received, misrepresented or where it arrives faulty or damaged.

The legislation applies to a number of forms of credit including credit and store cards and will apply even if you have subsequently closed your account. You don't have to pay the full purchase price on the credit card as you will be fully protected by the legislation where you pay as little as 1p contribution. However, it is recommended that you keep your receipts

if part of the transaction was paid for by alternative means such as cash or debit card.

In 2007, the House of Lords ruled that Section 75 has no territorial limitations and therefore protects consumers where they purchase an item whilst in another country or where goods are purchased from foreign-based websites.

In general, Section 75 is viewed as a very useful piece of legislation to consumers, enabling the swift resolution of disputes. Consumers do not have to take the retailer to Court in order to resolve the issue and can instead apply directly to their credit provider for a refund. Furthermore, if they are unhappy with the response of the credit provider, there is always the option of referring the matter to the free Financial Ombudsman Service to investigate the matter.

With a wealth of experience in this area, please do not hesitate in contacting our Civil Litigation team on 01934 623501 or email [sgale@powellslaw.com](mailto:sgale@powellslaw.com) if you would like any further information regarding this subject matter.