



Computers & Technology

Internet Issues

The dark side Of PayPal

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The Dark Side Of PAYPAL

Although many buyers and sellers think this Internet icon is wonderful, an increasing number of customers have been irritated, frustrated and disappointed when this internet icon treated them so unkindly- so crudely and wrongly in a manner which ignored logic, common sense, courtesy and surely some legal issues.

So it isn't difficult to find many anti-PAYPAL sites on the net with the use of any search engine.. For that matter, an increasing number of ex-customers, like me are filing lawsuits in small claims courts all across America- and winning.

What led to my lawsuit with PAYPAL began when I received some faulty merchandise- and the seller was unresponsive. When he failed to send me a refund , as promised, I took the matter to PAYPAL's Buyer Protection Program which they tout at every opportunity.

But instead of receiving helpful intervention, I was sent me in a seemingly endless loop between PAYPAL and their unresponsive dealer for the next three weeks until I was told "that my 30-day warranty period had expired".

I was surprised , confused and angry. But what was I to do about it? A local attorney wanted \$2,500.00 plus more for court costs just to consider taking the case. Obviously PAYPAL knew that most, if not all customers would ultimately accept a modest loss instead of pursuing the issue-when their anger subsided, of course, and reason prevailed.. As one of my buddies put it: "Are you crazy enough to risk that kind of money for a recovery of less than fifty bucks?".

What about small claims court ? Although I had heard of it, I had much to learn. Not all U.S. states have a small claims court but many - including my home state of Tennessee, allow an individual to represent himself in General Sessions Court without an attorney- so long as he is not representing an incorporated business.

Even so, despite misgivings and some apprehensions, on June 2nd, 2006, I filed suit with General Sessions Court, in Nashville, Tennessee to create case number # 06GC9865 which was placed on the court docket for July 13, 2006. My cash payment, via personal check of \$87.75 would cover court costs, plus the cost of SERVICE- the official notification to the plaintiff of the pending lawsuit, usually done by a Deputy sheriff..

This matter of PROPER SERVICE is a critical detail in these matters- a fact which posed a potential dilemma for someone who files a lawsuit. PAYPAL, like many national corporations, has no presence in Tennessee except on the internet. However, in the course of groping through the situation, I discovered an important detail: a corporation doing business in Tennessee must designate a corporate agent, and list his name and postal mailing address on file with the Secretary of State.

About the middle of June, 2006, I get a phone call from PAYPAL. A warm and friendly, female voice and I exchanged greetings before she got down to the serious business. " You agreed to PAYPAL's Terms of Service when you signed on with PAYPAL.," she said. "It reads that all disputes must be settled in Santa Clara, California, our home turf," she added..

By now, the once warm and friendly voice had disappeared,. "So you cannot instigate a lawsuit in Tennessee against us," she added.

Then, after a slight pause, she offered me a symbolic victory - at least partially. PAYPAL would refund the \$47.50 which I had paid for the faulty merchandise. She could do this for me -only, she emphasized, because " I had been such a good customer in the past.

What about Court Costs? "No," she said in a firm voice. She went on to tell me that PAYPAL would counter sue me for attorney fees which they incurred in defending themselves if choose to pursue this unfortunate matter.

My reaction was a mix of amusement and genuine concern, Although the potential for loss was obvious, and despite an inner fear of appearing to be stubborn and foolish, I refused the offer. Time passed. The court date of July 13th arrived.

I was present in court and PAYPAL was not. They failed to show up in court despite their strong talk and bluster. I won, by default, the cash amount of \$142.27 which covered my expenses plus recovery of my purchase money..

Although this was a piddling sum in terms of risk and reward, it was a pleasure to cash the check of this bully who was willing to risk a lawsuit because of odds in their favor that a customer would ultimately accept a modest loss when their anger ebbed, and they realized the realities of doing otherwise.

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Learn more about this author, [Bill Allbritton](#).

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