

The complaint

Mr D complains that American Express Services Europe Limited (AESEL) reversed a refund it credited to his account in relation to a dispute over goods not delivered. He would like the money refunded.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I will focus on giving the reasons for my decision.

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.

Having done so I have reached the following conclusions: -

- I don't doubt Mr D's frustrations, he told us he paid a significant sum for an item he says he didn't receive. In addition, he received several refunds from AMEX under the Chargeback Scheme which were then withdrawn. The issue for me to decide is whether AMEX should have refunded Mr D or not.
- I should explain that the Chargeback Scheme is a voluntary one bound by a set of rules that merchants and card issuers must abide by. When a consumer makes a chargeback claim an initial assessment is made and, if it seems that a consumer has a case, we expect a chargeback request to be pursued which is what AMEX did. At this stage the card holder will refund the payment in question. However, that doesn't mean that the claim will automatically succeed. Merchants have a right to defend claims, and if successful any refund initially made will then be taken back which is what happened here.
- In Mr D's case the merchant defended Mr D's initial claim providing proof of delivery as required under the chargeback rules. The delivery information shows a box by a door and confirms a pin code sent to Mr D had to be provided on receipt. Mr D must have received the delivery as he sent pictures of what he says was in the box – cleaning products, not the item he ordered.
- Unfortunately, a picture of an open box doesn't confirm what was in it when delivered so I think AMEX were correct to take back its refund and close the chargeback request as the merchant provided sufficient evidence the item in question had been delivered.
- Unfortunately for Mr D his case then became further complicated by the merchant offering him a gesture of goodwill refund. Mr D has evidenced this, so I don't doubt the merchant offered and made a refund. However, it seems this was because of third-party fraud leading to erroneous refund requests being made and paid. This would explain why the payment went to someone other than Mr D. I understand this

is now the subject of a fraud investigation by the merchant. The merchant told AMEX it had not made a gesture of goodwill offer and reiterated goods had been delivered. As it seems the gesture of goodwill was made fraudulently, I think AMEX acted appropriately taking back the refund it made when the gesture of will issue arose.

- I appreciate Mr D doesn't feel that AMEX considered all the information he provided but I can't agree with him. From the correspondence and call information I have seen I think AMEX acted appropriately. It requested information and reopened Mr D's case several times each time crediting a refund to his account then reversing this when information provided did not support the claim.
- I appreciate Mr D has been put to some considerable inconvenience. And he didn't get the gesture of goodwill payment promised. However, I can't reasonably ask AMEX to compensate him for this. I think it dealt appropriately with the chargeback request and it is not responsible for fraudulent actions against the merchant.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 16 April 2025.

Bridget Makins
Ombudsman