

## **The complaint**

Company H complains that American Express Services Europe Limited won't refund to it the money that it paid to a merchant. Company H is being represented in its complaint by its CEO and its administrator.

## **What happened**

Company H had a business credit card account with American Express and it contacted American Express in May 2024 to dispute a payment of £8,165 that it had made to a merchant for some marketing services that it said that it hadn't received. American Express made a chargeback claim to the merchant and applied a credit of £8,165 to Company H's account. The merchant then provided evidence to defend the chargeback claim.

American Express wrote to Company H and said that, as the documents provided appeared to support the transaction, the payment of £8,165 had been reapplied to its account. Company H then complained to American Express about the outcome of its billing dispute. American Express said that it had conducted a full review into the dispute but had been unable to establish any error by it. Company H wasn't satisfied with its response so complained to this service about that payment and another payment made to a different merchant.

The complaint was looked at by one of this service's investigators. He said that Company H had raised a complaint with American Express about the £8,165 transaction made to the merchant in March 2024 – so he could look into that transaction - but hadn't complained to it about the other transaction that it had referred to in its complaint form so it would need to first bring its concerns about the other transaction directly to American Express.

Having considered everything, the investigator didn't recommend that Company H's complaint about the March 2024 payment of £8,165 should be upheld. He said that American Express had determined that the merchant had provided adequate evidence to refute the chargeback claim and that the services matched the description the merchant provided at the time of purchase. He said that according to American Express' card scheme rules, that was a valid defence against the chargeback so he couldn't identify a substantive error made by American Express when evaluating the dispute and it wouldn't be fair to hold American Express liable for repayment of the transaction,

Company H's CEO said that he had asked the administrator to respond to the investigator's recommendation and was concerned that her email didn't reach him. He said that this is a significant case involving a substantial sum and necessitates careful review by an ombudsman, but no further response to the investigator's recommendation has been received from Company H or its representatives.

## **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.

If a company disputes a card payment, the card issuer may be able to make a chargeback claim to the merchant under the relevant card scheme to try to settle the dispute. There's no right for a company to require that a chargeback claim be made and the applicable scheme rules set out the disputes that can be considered and the time limits for making a claim. If the right to make a chargeback claim exists under the applicable scheme rules, and if there's a reasonable prospect of success, I consider it to be good practice for a chargeback claim to be made. In this decision, I'm not deciding the merits of the disputed payment but whether or not American Express has dealt with the chargeback claim correctly.

Company H disputed the payment of £8,165 that had been made to the merchant in March 2024 and American Express made a chargeback claim to the merchant. The merchant provided the order confirmation, its invoice and standard terms of business and evidence that it had started work on an article about Company H to defend the chargeback claim.

American Express said that the documents provided appeared to support the transaction. I've seen no evidence to show that American Express hasn't complied with its rules for dealing with disputed payments and I'm not persuaded that there's enough evidence to show that it should have taken any further action or that it hasn't acted fairly and reasonably in these circumstances.

Company H's representatives have also referred to another transaction and to claims being made under section 75 of the Consumer Credit Act 1974. Section 75 gives a consumer, in certain circumstances, an equal right to claim against the supplier of goods or services or the provider of credit if there's been a breach of contract or misrepresentation by the supplier. A company wouldn't be considered to be a consumer for the purposes of section 75 so Company H wouldn't be able to make a claim to American Express under section 75 about either of the transactions to which it has referred.

I've seen no evidence to show that Company H has complained to American Express about the other transaction that it has referred to so, in this decision, I've only considered its complaint about the payment of £8,165 that was made to the merchant in March 2024. As the investigator said, if it wants to complain to this service about any other transactions, it would first need to complain to American Express. If it's not satisfied with American Express' response to its complaint, it may then be able to make a separate complaint to this service about that transaction.

Company H's CEO says that this is a significant case involving a substantial sum, so I appreciate that my decision will be disappointing for him. I find that it wouldn't be fair or reasonable in these circumstances for me to require American Express to refund to Company H the payment of £8,165, to pay it any compensation or to take any other action in response to its complaint.

**My final decision**

My decision is that I don't uphold Company H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Company H to accept or reject my decision before 29 July 2025.

Jarrold Hastings  
**Ombudsman**