

## **The complaint**

Mr A complains about the way in which American Express Services Europe Limited (AESEL) handled his disputed transaction claim.

## **What happened**

Mr A holds a credit card with AESEL. In March 2024 Mr A purchased a watch from Selfridges for £7405 and paid using his credit card.

Mr A says that he refused delivery at the doorstep and the watch was returned via the courier to the merchant who sent him an email saying they would process a refund. No refund was received so Mr A raised a disputed transaction claim with AESEL.

AESEL raised a chargeback and issued a temporary refund. The refund was later reversed because the merchant challenged the chargeback on the grounds that the box they received back was empty.

Mr A complained to AESEL.

AESEL didn't uphold the complaint. It said the documents provided by the merchant showed that they received an empty box back and that it hadn't made an error when it declined the chargeback claim.

Mr A remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said he couldn't find any errors in the way that AESEL had handled the chargeback claim.

Mr A didn't agree so I've been asked to review the complaint.

## **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.

I know it will disappoint Mr A, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

When a customer disputes a debit or credit card transaction, the card issuer must determine whether to provide the cardholder with a refund for the transaction amount. This is known as a chargeback.

There are a number of reasons why customers dispute transactions, including fraud and service issues. In Mr A's case, I can see that the reason for the dispute was recorded as

“refund not received”. This is because Mr A said he’d returned the item to the merchant but hadn’t received a refund.

There’s no automatic right to a refund with a chargeback. The card issuer will usually issue a temporary refund and ask the merchant to provide evidence if they indicate that they intend to dispute the claim. The role of this service in complaints about how a chargeback has been handled is to look at whether the card issuer has treated the card holder fairly and reasonably.

In Mr A’s case, the merchant disputed the claim on the grounds that the item wasn’t returned. The merchant said it had received an empty box back.

I’ve looked at the timeline of events and the supporting evidence to see what’s most likely to have happened here.

Mr A says he rejected delivery of the item at the doorstep and that the courier returned the item to the merchant. He says he didn’t accept the item and was not in possession of the item at any point.

If what Mr A says is correct, then it wouldn’t have been possible for the item to have been removed from its box or for the box to have been changed before it was returned to the merchant. However, the merchant has provided evidence to show that it received an empty box. So, I’ve looked further into what happened when the item was delivered.

The merchant has provided photo evidence from the courier who delivered the item to Mr A. This shows that Mr A provided identification on accepting the delivery and that the item was recorded as successfully delivered on 27 March 2024. Both the identification and the acceptance of delivery are recorded on the couriers tracking records.

The same tracking records show that the item was dropped off on 31 March 2024 at a courier drop off/collection point before being returned to the merchant. The merchant provided a photo of the box it received back, which was empty and smaller than the box used to post the item originally.

There’s nothing to suggest that the tracking evidence is inaccurate. Therefore, I think it’s unlikely that Mr A rejected the delivery at the doorstep. The tracking records show that the item was delivered to Mr A and that he returned it from a courier drop off point 4 days later.

Mr A has said that the merchant sent him an email promising a refund. However, the merchant has said that it has no record of an email being sent to Mr A and has indicated that the email produced by Mr A didn’t come from them.

Taking everything into consideration – including the tracking information, the photos, the difference in the box size and the absence of the item from the box when it was returned to the merchant, the balance of evidence falls in the merchants favour here. I’m not persuaded that AESEL has done anything wrong or handled the chargeback claim unfairly.

### **My final decision**

My final decision is that I don’t uphold the complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr A to accept or reject my decision before 20 May 2025.

Emma Davy  
**Ombudsman**