

The complaint

Ms A complains that American Express Services Europe Limited won't refund to her the deposit that she paid for a holiday.

What happened

Ms A booked a holiday with a travel agent in September 2024. The total price of the holiday was £5,250 and Ms A paid a deposit of £200 using her American Express credit card. Ms A says that she has severe food allergies so she made enquiries about the hotel and found that at least three of the restaurants offers had been closed. She asked the travel agent to reduce the price of the holiday but it said that the booking was non-refundable and unchangeable.

Ms A contacted American Express to dispute the payment of £200 in December 2024 and it made a chargeback claim. The chargeback claim was defended by the travel agent and American Express wrote to Ms A in January 2025 and said that it believed the charge was reasonable as the travel agent had confirmed that the holiday booking was made as per Ms A's unique requirements. Ms A then made a complaint to American Express about its response to her claim but it didn't uphold her complaint and said in February 2025 that it agreed with the outcome of her dispute. Ms A had also made a claim to American Express under section 75 of the Consumer Credit Act 1974 and it said that that claim was being dealt with separately.

Ms A wasn't satisfied with its response to her complaint so she complained to this service about its mishandling of her dispute, the dispute being closed without it making clear what additional information it required, its delays and it providing incorrect facts. Her complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that a chargeback was raised but wasn't successful as the travel agent disputed the claim as the holiday hadn't been paid for in full or received so she concluded that American Express had acted fairly and in line with the expectations of this service.

Ms A didn't accept the investigator's recommendation and asked for an ombudsman to make a final decision on her complaint. She says, in summary and amongst other things, that American Express didn't review her claim fully, its dispute team was dishonest and it closed the dispute without informing her.

American Express responded to Ms A's complaint about its handling of her section 75 claim in April 2024 and Ms A has complained to this service about its response. That complaint is being dealt with separately.

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 consumer disputes a credit card payment, there are two ways that I would expect the card issuer to respond to the dispute: a chargeback claim and a claim under section 75. There's no right for a consumer 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.

Ms A disputed the deposit payment of £200 that she'd made to the travel agent and American Express made a chargeback claim but the claim was defended by the travel agent. I'm not deciding the merits of the disputed payment but whether or not American Express dealt with the chargeback claim correctly.

On the basis of the defence that was provided by the travel agent, I consider that it was fair and reasonable for American Express to conclude that pursuing the chargeback claim any further wouldn't have had any reasonable prospect of success and to decide not to take any further action about the chargeback claim for the payment that Ms A had disputed. American Express wrote to Ms A in January 2025 and said that it believed that the charge was reasonable as the travel agent had confirmed that the holiday booking was made as per Ms A's unique requirements. It also said that the transaction would remain on her account so I'm not persuaded that it closed the dispute without informing Ms A.

Ms A says that American Express has been dishonest but I'm not persuaded that the evidence shows that American Express has acted incorrectly in its handling of Ms A's dispute of the deposit payment. Ms A has also complained about the way that American Express has dealt with her complaint. Complaint handling isn't a regulated activity and the rules under which this service operates say that I'm unable to consider a complaint about complaint handling. For that reason, I'm unable to consider Ms A's complaint about the way that American Express has dealt with her complaint.

American Express has also considered the payment under section 75 and it responded to Ms A's complaint about its handling of her section 75 claim in April 2024. Ms A has also complained to this service about its response to her claim. That complaint is being dealt with separately so I've not considered it in this decision.

It's clear that Ms A feels strongly about her complaint and I appreciate the difficulties that her food allergies cause her and the disappointment that she'll feel about my decision, but I'm not persuaded that there's enough evidence to show that American Express has dealt with the chargeback claim incorrectly. I find that it wouldn't be fair or reasonable in these circumstances for me to require American Express to refund the deposit payment of £200 to Ms A, to pay her any compensation or to take any other action in response to her complaint.

My final decision

My decision is that I don't uphold Ms A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 11 September 2025.

Jarrold Hastings
Ombudsman