

The complaint

Miss D complains about the service she received from American Express Services Europe Limited when she asked for help in getting a refund for a transaction made on her credit card.

What happened

In November 2024, Miss D purchased a television from a supplier I'll call "B", paying in part with her American Express credit card.

When Miss D plugged in the television at home she said it wasn't working as expected. She therefore returned it to one of B's stores. B declined to provide a refund saying the television has been unwrapped and plugged in, so was outside its returns policy. Unhappy with B's response, Miss D left the television in the store.

Having been unable to resolve the matter with B, Miss D contacted American Express for help in getting a refund. American Express raised a chargeback, which is a process of asking B for a refund, via rules set by the card scheme, also American Express in the circumstances of this complaint.

B defended the chargeback, which is to say it didn't agree a refund was due. American Express considered the information it had been provided by both parties and didn't think it could take Miss D's chargeback further, so closed it in B's favour.

Miss D challenged American Express' decision. It then reviewed her dispute again and made the decision to refund Miss D the value of the television itself, crediting a refund to her account in February 2025.

Although American Express provided a refund, Miss D was unhappy with the service she'd received. She said she'd had to chase on her dispute numerous times and her claim should have been successful under consumer protection legislation, such as The Consumer Rights Act 2015 ("CRA").

American Express doesn't agree it's done anything wrong. It says it correctly raised the chargeback, but this was defended by B. American Express says it credited Miss D the amount she spent on her credit card, which it thinks is a fair resolution to the dispute.

Unhappy with American Express' response, Miss D referred her concerns to our Service. I've previously set out my provisional findings in relation to Miss D's complaint, which I've included below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

Chargeback

The chargeback process provides a way for American Express to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (B) and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme, and if these are not met, a chargeback is unlikely to succeed.

It's not a requirement that a card issuer must raise a chargeback every time it's asked to, but where the evidence supports a dispute in line with a reason code set out in the scheme rules, I'd expect the card issuer to attempt a chargeback to support its customer. The chargeback process is not a guaranteed way of getting money back.

B defended the chargeback, so didn't agree a refund was due. B's defence was that Miss D said she wanted to return the television as it wasn't of the quality she'd expected. B set out that its returns policy was that it would only accept returns if they were unused, and as Miss D had unpacked the television and plugged it in, she wasn't entitled to a refund.

Miss D had raised her dispute with American Express selecting the option 'I've cancelled or returned this purchase'. So, on the basis B had said Miss D wasn't entitled to a refund in line with its returns policy, I don't think American Express was wrong in closing her chargeback at this stage.

Miss D then followed this up, saying the picture quality of the television quality poor, with pixels missing and it wouldn't have been possible for her to know this unless she'd plugged it in. Considering this and acknowledging that Miss D no longer had the television, American Express made the decision to credit Miss D the amount she'd paid on her credit card, which is the most she would have achieved had her chargeback been successful.

I appreciate Miss D says her claim should have been successful due to regulations such as the Consumer Rights Act 2015 ("CRA"), however the chargeback process is governed solely by the scheme rules, and I'm satisfied American Express fairly considered her claim in line with these rules.

I've taken on board Miss D's comments that she should have received a refund as the television wasn't of satisfactory quality. While this is an avenue American Express could have considered a chargeback; for it to be successful, it's likely Miss D would have needed further supporting evidence of the problem, such as a video of the television not working as expected, acknowledgement from B it wasn't working properly or an independent report, confirming there was a problem. I'm not aware of such evidence being provided by Miss D.

Had American Express considered a claim under Section 75 of The Consumer Credit Act 1974 ("Section 75"), which is another way American Express may have been responsible for providing a refund, I agree the CRA would have been a relevant consideration. However, as American Express took the decision to refund Miss D, it wasn't necessary for it to carry out an investigation or consider its obligations under Section 75.

Added to this, had American Express considered a Section 75 claim, it would have been for Miss D to demonstrate that a misrepresentation or breach of contract had occurred, and she'd likely need further evidence to support this, such as evidence of the television not working as expected or an independent report.

As a result, while I appreciate Miss D was unhappy with her chargeback, I don't think American Express has done anything wrong. It considered her request for help in getting a

refund and made the decision to credit Miss D the amount she'd spent on her card, which is the amount she would have received had a chargeback been successful.

I appreciate Miss D's comments that this felt like a dragged-out process, however the nature of a chargeback can include back and forth between all parties. And while I appreciate this may be frustrating, it doesn't mean American Express has done anything wrong. American Express has put Miss D in the position she would have been had the chargeback been successful, which I think is a fair outcome.

Data breach

I understand Miss D has also raised concerns that American Express has breached data protection legislation by sending her a copy of another customer's final response to their complaint. I can't see that these concerns have been raised with or addressed by American Express. So, if Miss D wished to complain about this, in the first instance she'd need to raise this with American Express before our Service is able to comment on this.

Conclusion

While I appreciate this answer may come as a disappointment to Miss D, I won't be asking American Express to do anything further. It correctly raised the dispute, and I think was reasonable in accepting B's defence. After Miss D provided further comments, American Express took the decision to refund the amount she'd spent on her credit card, which is what Miss D would have received had the chargeback been successful. There can be some inconvenience in raising a chargeback, but I haven't found American Express made an error in the way it handled the dispute.

I didn't receive any further comments from American Express in relation to my provisional findings. Miss D disagreed, questioning how she could be refused a refund and forced to pay for a broken item.

The complaint has therefore been passed back to me, for a final 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.

I've given consideration to Miss D's further comments, alongside the information previously submitted. Having done so, I've reached the same conclusions as those set out in my provisional decision. I realise this answer will come as a disappointment to Miss D and I've explained below why I think this.

In this decision, I'm only able to consider the actions of American Express as the card provider, so I'm not able to comment on the actions of B or whether it did something wrong.

Therefore, in considering the actions of American Express, for the reasons explained above, I think it acted reasonably when Miss D asked for help in getting a refund.

American Express raised a chargeback as I'd expect, however B defended this, meaning it didn't agree a refund was due. Miss D then provided further information to American Express, which it reviewed and decided to refund the amount of the transaction she was disputing, acknowledging she had raised concerns about the television and that she'd returned it to B. This is the amount Miss D would have received had her chargeback been successful, so I think this was a fair resolution for American Express to reach.

American Express didn't consider a claim under Section 75, however had already refunded Miss D the value of the transaction and had it done so, I'm not persuaded the evidence available would have seen American Express conclude it was liable for a misrepresentation or breach of contract.

In conclusion, I think American Express fairly handled Miss D's request for help in getting a refund, so I won't be directing it to do anything further.

My final decision

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 29 September 2025.

Christopher Convery
Ombudsman