

## **The complaint**

Mr M is unhappy that American Express Services Europe Limited, trading as American Express (“AmEx”) withdrew a disputed credit from his account.

## **What happened**

On 21 October 2024, Mr M paid £770.64 to a well-known Payment Services Provider, which I’ll refer to as ‘X’, from his AmEx account. On 1 November, Mr M raised a dispute with AmEx on the basis that the goods or service he had paid for had been cancelled or returned.

AmEx raised a dispute with X regarding the payment, and while the dispute was ongoing, they credited Mr M’s account with the £770.64. However, AmEx then received confirmation from X that X had also refunded the £770.64 to Mr M, meaning that Mr M had received two credits of the same amount – one from X and one from AmEx. Because of this, AmEx withdrew their credit from Mr M’s account. Mr M wasn’t happy about this, so he raised a complaint.

AmEx responded to Mr M but didn’t feel that they’d done anything wrong. Mr M wasn’t satisfied with AmEx’s response, so he referred his complaint to this service. One of our investigators looked at this complaint, but they didn’t feel that AmEx had acted unfairly towards Mr M and noted that his AmEx account – having had one debit and one corresponding credit – was in the position it should be in. Mr M disagreed, so the matter was escalated to an ombudsman 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.

Having done so, I’m satisfied that Mr M did receive reimbursements of the £770.64 from both AmEx and X, meaning that he was reimbursed twice for the same singular payment. It therefore seems fair and reasonable that AmEx would withdraw their credit, allowing the credit from X to remain, the net result being that Mr M paid £770.64 to X, then received a reimbursement of that exact amount from X – which was the outcome he was seeking.

It also should be noted that because Mr M raised a dispute against X with AmEx, it was reasonably expected by AmEx that they would recover the £770.64 on Mr M’s behalf. For that reason, they credited the £770.64 to Mr M’s AmEx account, effectively lending Mr M that amount, the intention being that AmEx would keep the £770.64 that they recovered from X while Mr M kept the credit already provided to him by AmEx.

That AmEx provided an advanced credit to Mr M in these circumstances is not uncommon and the process described above is often utilised by credit providers to ensure that their account holders aren’t financially disadvantaged while a dispute is investigated on their behalf.

In this instance, when AmEx contacted X about the £770.64, X confirmed that they had

already reimbursed the amount to Mr M. This meant that AmEx's credit of £770.64 to Mr M was superfluous, because Mr M had already received a reimbursement of the disputed amount directly from X.

It therefore seems clear and evident to me that Mr M hasn't incurred any financial detriment to his AmEx account here – because he's been reimbursed the £770.64 by X which he disputed.

In his recent correspondence with this service, Mr M has suggested that AmEx should have paid £770.64 to X directly, rather than withdrawing the credit from his AmEx account, and he's unhappy that X consider Mr M to owe them £770.64 and have placed his X account into arrears for that amount.

But AmEx are under no requirement or expectation to pay X the disputed amount as Mr M suggests. Instead, AmEx's only obligation is to make sure that Mr M's AmEx account isn't financially disadvantaged, which as previously explained, it hasn't been. And if X now consider Mr M to owe them £770.64, then that would be a matter for Mr M to resolve with X directly, and wouldn't in any way be a matter for AmEx to be involved in.

All of which means that I won't be upholding this complaint or instructing AmEx to take any further or alternative action here. This is because I don't feel that AmEx have treated Mr M unfairly as he contends, and that the withdrawal of the £770.64 credit by AmEx was fair and reasonable for the reasons previously explained. I hope that Mr M will understand, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 February 2026.

Paul Cooper  
**Ombudsman**