

The complaint

Mr M is unhappy with how American Express Services Europe Limited (AMEX) dealt with his chargeback claim.

What happened

The parties are familiar with the background of this complaint, so I will summarise it here, which reflects my informal remit.

Mr M bought an item of clothing, costing £37.25, from a retailer who I will refer to as C. When the item became faulty, C arranged a replacement, but the replacement sent was the wrong design. In April 2025 when Mr M's partner visited the store to exchange it for the correct item, she was charged for this. C explained that it had processed a payment for the new item and intended to refund the incorrect one, but a system error resulted in an e-voucher being issued instead. C emailed Mr M confirming that it no longer held his original payment details, so the refund had been issued as an e-voucher. Mr M replied that a voucher was not reasonable given that he'd been charged twice for the same product. Mr M said he provided alternative bank details, advising that he would contact AMEX if he didn't hear back by the end of the week.

On 1 May 2025, Mr M contacted AMEX to raise a chargeback for £37.25. That evening, C informed Mr M that a refund had been issued and should appear on his account within 3-5 business days. Mr M informed C that AMEX was now handling the matter but confirmed that if he received a refund twice, he would be happy to return the overpaid amount.

On 2 May 2025, AMEX applied a temporary refund to his account and confirmed this in writing. C provided evidence that a refund had already been issued, so on 8 May 2025, AMEX informed Mr M of this and said the previous temporary credit had now been reversed.

Mr M questioned discrepancies between AMEX's and C's transaction records and why AMEX proceeded with a chargeback if it was aware of the existing refund. He also felt AMEX's correspondence implied he had knowingly sought a double refund, which he considered unfair.

When AMEX issued its final response stating it considered the matter closed, Mr M referred his complaint to our service. An investigator reviewed the case and found AMEX hadn't acted unfairly or unreasonably. They accepted AMEX's explanation that differences in the transaction processing date and what was displayed on the statement was normal due to processing times. While Mr M asked for an apology, the investigator explained that this service generally didn't recommend this, as its powers around redress were typically limited to tangible (often financial) remedies.

Mr M disagreed with the investigator's findings. In summary he said:

- His complaint was about AMEX's unfair handling of the chargeback, not the financial outcome.
- AMEX reversed the chargeback without prior communication and without considering

C had confirmed it no longer held his payment details.

- The investigator was incorrect in saying our service couldn't ask a business to issue an apology, citing published decisions and guidance to the contrary.
- AMEX approved the chargeback on 2 May, a day after claiming C's refund was processed on 1 May, which showed he couldn't have known about the refund when he raised the chargeback.
- He acted honestly and offered to return any duplicate payment, disproving any implication of wrongdoing.
- AMEX's handling of the situation caused him considerable embarrassment and frustration, which he still seeks an apology for.

As Mr M remained unhappy with the investigator's view, the case has now been referred to me to make 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 want to start by acknowledging the time and effort Mr M has taken in pursuing this complaint. I recognise that this matter has caused him frustration and that he feels AMEX's handling of the chargeback led to an unfair implication that he acted improperly.

Whilst I've read and considered everything, if I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. This is not meant as a discourtesy but rather reflects my role in resolving disputes with minimum formality.

Mr M confirmed his complaint wasn't about the financial outcome of the chargeback - as he has already received the refund - but rather about the way AMEX handled the chargeback. So, my decision will therefore focus on this.

Mr M asked AMEX to raise a chargeback on 1 May 2025 when C failed to refund him correctly. That same evening, C told him it had processed a refund, which should appear in his account within 3-5 days. AMEX applied a temporary credit to Mr M's account on 2 May 2025. When AMEX received evidence from C confirming a refund had already been issued, it removed the temporary credit and informed Mr M of this.

Mr M believes AMEX shouldn't have raised a chargeback if it knew a refund had already been issued. When a customer asks their bank to raise a chargeback, the bank will typically assess the information provided in line with the relevant scheme rules to decide whether to raise a chargeback. In this case, the information Mr M provided indicated he hadn't received a refund, and in attempting to assist him, AMEX raised the chargeback which I consider was fair and reasonable.

I acknowledge the retailer, C, initiated the refund around the same time the chargeback was raised, which understandably may have caused some confusion. However, AMEX explained that, due to standard processing times, the refunded transaction didn't appear until the following day. This was also consistent with what C informed Mr M when processing the refund - that it could take 3-5 days to show on his account – as well as Mr M's statement that the refund wasn't visible on the account when he contacted AMEX to raise the chargeback.

Given this, I'm satisfied that when AMEX raised the chargeback, there was no indication that a refund had already been processed. Mr M also didn't request at any point that AMEX stop the chargeback, so I consider it was reasonable for AMEX to raise the chargeback based on

the information it had available to it at the time.

I understand Mr M was disappointed not to have been contacted before the temporary credit was reversed. However, when AMEX raised the chargeback, it advised Mr M that if the merchant provided evidence supporting the charge, the temporary credit might be reversed. Within a week of this being sent to Mr M, C confirmed it had already issued a refund, and AMEX promptly relayed that information to Mr M. Given the short timeframe, and as AMEX had already explained the possibility of the temporary credit being reversed without indicating that further updates would follow, I don't consider AMEX to have acted unfairly by not providing additional updates.

Mr M raised concerns that AMEX had backdated the refund on his statement, which he felt created the impression that he had attempted to recover the funds twice. He also asked for his statements to be amended to reflect the delay. I acknowledge that when Mr M raised the chargeback, the refund may not yet have appeared on the account, and I understand how this could've caused confusion. However, as explained above, standard processing times meant the refund didn't appear immediately on the account – something that C also informed Mr M of. AMEX has said it can't retrospectively amend statement entries, and I don't consider this to be unreasonable.

I also considered Mr M's concern that the current statement entry made it seem as though he had acted dishonestly by raising a chargeback when he did. I'm sorry that Mr M felt this way, but having reviewed all the available evidence, I've seen nothing to indicate that AMEX - explicitly or implicitly – accused him of dishonestly. Its correspondence focused on explaining the dispute process and the reason for reversing the temporary credit, rather than attributing any wrongdoing. In my view, AMEX was clarifying the process, not suggesting improper conduct by Mr M.

I do however accept that Mr M's correspondence with C shows he acted transparently and in good faith, including offering to return any duplicate refund. I also recognise that conflicting information from C – regarding not being able to locate his original payment details and Mr M being led to believe the refund would be issued to a different account – contributed to his frustration. However, AMEX wasn't responsible for deciding how or where C processed the refund, or any incorrect information C provided. As AMEX's responsibility in this situation was limited to the handling of the chargeback process, it can't reasonably be held accountable for those inconsistencies. Any concerns about the retailer's actions would need to be raised directly with C.

Taking everything into account, I acknowledge Mr M's feelings of frustration and embarrassment about how events unfolded, but I can't reasonably conclude that AMEX acted improperly, treated him unfairly, or suggested any wrongdoing on his part. The confusion appears to have arisen from the overlap in timing between C's refund and the chargeback being raised the same day, but I'm satisfied AMEX followed its usual procedures and handled Mr M's claim fairly and reasonably.

I appreciate Mr M feels very strongly about wanting an apology and he is correct in his understanding that our service can direct firms to apologise and make awards for non-financial consequences such as distress and inconvenience. However, as I can't see that Amex acted incorrectly, in how it handled Mr M's chargeback claim, I don't think it needs to do anything further here.

My final decision

I don't uphold Mr M's complaint against American Express Services Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or

reject my decision before 12 December 2025.

Farhana Akhtar
Ombudsman