

The complaint

Mr K has complained about how American Express Services Europe Limited (AESEL) handled a refund claim he made.

What happened

As all parties are familiar with this complaint, I'll only summarise the key background where necessary within my findings below.

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.

It's important to note that AESEL aren't the provider of the services here – so in deciding what is fair and reasonable, I'm looking at their particular role as a provider of financial services. In doing so I note that because Mr K paid for this transaction using an AESEL credit card, both a chargeback and S75 claim could possibly help him. So in deciding what is fair and reasonable I've focused on this.

Mr K's complaint is regarding multiple flights purchased via an agent I shall call 'N' in June 2025. Mr K has said he wasn't made aware that one stop during his travel wouldn't issue the required visa to continue his journey. This meant that he was unable to complete his itinerary and believes N didn't fulfil their contractual obligations when providing this to him.

Chargeback

Chargeback is the process by which settlement disputes are resolved between card issuers and merchants. A consumer isn't entitled to chargeback by right. But where there are grounds to raise one and it has reasonable grounds for success, it is good practice for one to be raised by the card issuer.

However, a chargeback isn't guaranteed to succeed and is governed by the limitations of the particular card scheme rules (in this case AESEL). I've considered the relevant chargeback rules in deciding whether N acted fairly.

The relevant chargeback code here would be 'Goods/services damaged or defective' as Mr K is saying that N's service in providing an itinerary he couldn't complete meant it was defective.

AESEL declined the chargeback claim here and I've therefore reviewed the evidence available regarding this chargeback rule and whether AESEL acted fairly. I've considered N's terms and conditions to determine what would've been reasonably expected from the service provided. Section 7 of these terms states the following:

“7.1 Passport, visa and/or health requirements can change and You should therefore check with the relevant authority (embassy, consulate etc.) well in advance of travel. It is your responsibility to be in possession of a valid passport and, if appropriate, a visa. It is important to remember to include all transit points in your journey which may also require You to obtain a visa. It can often take some time to obtain a visa, so You are advised to apply well ahead of time. We accept no responsibility for customers who do not possess the correct documents.

7.2 Each destination has its own requirements as far as entry formalities, vaccinations, etc. which can also vary depending on the passenger's nationality. It is your responsibility to collect that information. No incidents arising from the failure to comply with such official regulations will be considered our responsibility. We therefore urge You to always verify the different formalities of the chosen destination or transit countries, as well as the time needed to take all of the related steps”.

These conditions do state that each destination has separate entry requirements and this would vary depending on the passenger's nationality. It then goes on to say that it is the consumer's responsibility to collect that information and any incidents arising from this wouldn't be N's responsibility.

This means that the specific visa requirement in this case that prevented Mr K's onward journey wouldn't have been N's responsibility. It would've been for Mr K to ensure any countries entered during the journey had their visa requirements complied with. As a result, I can't say a chargeback claim would've had a reasonable prospect of success regarding the service being defective, if progressed further.

I also note Mr K confirmed that the High Commission for the country in question clarified Mr K couldn't travel through as the required visa was unavailable for travellers of his citizenship. Clearly then this information would've been available to him if inquired prior to booking the journey – the question then remains whose responsibility it would've been to have noted this requirement at the time. I can't agree that N would've been responsible for identifying visa requirements for destinations on the itinerary for Mr K.

I understand that Mr K was still offered a partial refund by N but this wasn't accepted as he thought he may be due more if he raised a claim with AESEL. While I appreciate this, I can't agree there was a possibility of a successful chargeback claim under this reason code for the reasons stated.

S75

S75 provides that in certain circumstances the borrower under a credit agreement has an equal right to claim against the credit provider if there is either a breach of contract or misrepresentation by the supplier of goods and services.

To assess a valid claim, AESEL would've needed to consider all relevant evidence for the alleged breach of contract or misrepresentation. But for there to be a valid claim under S75 there are certain technical requirements and a part of that is there needs to be a valid debtor-creditor-supplier agreement in place. This means there needs to be a valid agreement between the 'debtor' who took out the finance and the supplier of goods or services in dispute.

In this case Mr K's agreement was with the agent N, who received the credit card payment to book his flights. Therefore AESEL wouldn't be liable for any of the airlines with whom the flights were booked, but would instead be liable for the contract N held with Mr K.

I've therefore considered both misrepresentation and breach of contract here and whether there is sufficient evidence to say either occurred. In terms of the former, a successful claim for misrepresentation would need evidence of a false statement of fact that induced Mr K to take out the contract with N.

While I appreciate Mr K considered that he'd be able to fly his whole itinerary as N booked these flights, I can't see any documentary evidence that N stated this would be the case. In fact, as stated above, the terms and conditions did make clear there may be visa requirements at various destination that may need to be complied with and this wouldn't be N's responsibility. I therefore don't think the trip was misrepresented to Mr K.

Likewise I also can't agree there has been a breach of contract here as N expressly stated that any non-compliance with official regulations wouldn't be their responsibility. It would've then been necessary for Mr K to check the requirements for each country on his journey to ensure he was able to continue his journey forward.

Lastly I've also considered the implied terms of the Consumer Rights Act 2015 (CRA) and Section 49 (S49) which states that every service needs to be treated as including a term that the trader must perform the service with reasonable care and skill. However, I can't agree that hasn't been complied with here as there was no assurance that any visa requirements would be checked in advance for Mr K.

I've also considered whether any additional or enhanced obligations arise from industry schemes or regulatory protections. In this case, N is not an ATOL licence holder and is not an ABTA member. As a result, no enhanced responsibilities or industry scheme duties apply to them beyond the terms of contract and the statutory obligations imposed by the CRA and related legislation. Mr K's complaint therefore falls to be assessed solely by N's contractual commitments and the statutory duty under S49.

In summary, while I appreciate Mr K's concerns, the available evidence doesn't show that N breached its contract to him or that their service was misrepresented to him. I therefore can't say AESEL did anything wrong in declining his S75 claim and that any refund would be due.

For completeness, I should also clarify that neither the chargeback process nor S75 provides a route to compensation for distress and inconvenience in this case. S75 depends on establishing a breach of contract or misrepresentation by the supplier, which I'm not satisfied occurred here. And chargeback is a card scheme mechanism concerned with disputing transactions rather than compensation for non-financial impact.

With all of this in mind, I can't say AESEL need do anything more here.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 3 February 2026.

Viral Patel
Ombudsman