

The complaint

Ms B has complained American Express Services Europe Limited didn't refund a transaction she didn't authorise.

What happened

Ms B has held an American Express account since February 2022.

In April 2025 Ms B saw a payment of £84.99 pending on her American Express account. She immediately queried this with American Express. They confirmed they weren't able to block a payment that was already being processed. After this transaction had been confirmed and added to Ms B's account, she should raise a dispute with American Express.

Ms B raised this payment as a dispute as she didn't believe she'd authorised this. Her records showed no transaction outstanding with this merchant (who I'll call M and is an international software company). American Express received evidence from M to show Ms B had set up an annual subscription for software services in April 2024. They weren't in a position to refund Ms B.

Ms B was very unhappy with how she'd been treated and brought her complaint to the ombudsman service.

Our investigator believed there was enough evidence to show Ms B had authorised this transaction.

Distressed by this outcome and the impact of what had happened, Ms B has asked an ombudsman to consider her complaint.

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've reached the same conclusion as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Ms B's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

Having reviewed the evidence, I believe there is enough to show that Ms B authorised this

disputed transaction as required by the PSRs. I say this because:

- Evidence submitted by M to American Express – and shared with Ms B – shows a match to all of Ms B's personal details indicating that in April 2024 she took out an annual subscription for access and use of M's software. Her American Express account was charged with £59.99 on 9 April 2024.
- It is possible to dispute a continuous payment arrangement – or regular payment – for subscription services but we'd generally expect to see that the customer had cancelled the service this related to. Ms B has provided us with nothing to show this. I note she says she has no need of M's services as she uses these through her employment.

I'm satisfied Ms B took out the original subscription in 2024 and agreed to a continuous payment arrangement. This provides authority – as required under the PSRs – to M to debit her account on an annual basis. There is therefore no requirement on American Express to refund Ms B for an authorised transaction.

I have noted the strength of Ms B's testimony about what happened and the distress this has caused her. I don't doubt this but I'm not going to ask American Express to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Ms B's complaint against American Express Services Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 16 March 2026.

Sandra Quinn
Ombudsman