

## **The complaint**

Mr D complains about the outcome of a claim he made to NewDay Ltd trading as Aqua (“Aqua”) in respect of a flight booking.

## **What happened**

In June 2025, Mr D booked tickets for outbound and inbound flights for a third-party from a company I’ll call ‘B’ using his Aqua credit card. He says the return flight was shown on B’s website at approximately £730.

Mr D noticed subsequently that the transaction was billed in 1370.37 Canadian Dollars (CAD). This was converted to £741.34. Mr D says Aqua then applied a foreign exchange conversion charge of £21.87 to his credit card.

In July 2025, Mr D raised a dispute using Aqua’s online portal. He says that when he did so, he clearly explained to them that he only wished to challenge the difference between the £741.34 he’d been charged in Pounds Sterling (GBP) and the £730 cost that had been displayed on B’s website.

Aqua raised a chargeback for the full £741.34 and temporarily recredited Mr D’s credit card account with this amount. B defended the chargeback. They said the fare had been correctly quoted to Mr D for CAD 1370.37 and that he had been correctly charged. B also said there was no evidence found proving that Mr D was only supposed to have been charged £730.

B suspended the return flight because of the ongoing chargeback claim. Mr D says he only discovered this at check-in when his passenger was refunded boarding. Mr D had to buy a last-minute one-way ticket for £620.

Following B’s defence to the chargeback, Aqua decided not to take it further and re-debited the £741.34 to Mr D’s credit card account. Mr D complained to Aqua. He said they accepted B’s defence without considering that the return flight was cancelled because they had raised the full amount for the chargeback, rather than the £11 he wanted to dispute.

Aqua didn’t uphold Mr D’s complaint and so he referred his complaint to us. Our investigator didn’t recommend that it should be upheld. He felt Aqua hadn’t handled the chargeback incorrectly. And he said that, had Aqua considered a claim under Section 75 of the Consumer Credit Act 1974 (s75) it likely wouldn’t have succeeded because the required debtor-creditor-supplier (DCS) relationship wasn’t in place to do so, and because there was insufficient evidence that B breached the contract or misrepresented anything to Mr D.

Mr D didn't agree. He maintained he clearly explained to Aqua he only wanted to dispute £11 and that they didn't mention that raising a chargeback could lead to the cancellation of the flight or suspension of services. Mr D also said Aqua incorrectly said the service was available to use despite his passenger not being able to travel on the flight. Mr D also said Aqua misinterpreted B's response about the service being provided as B had only referred to currency conversion in its defence to the chargeback. And Mr D said s75 applied to the transaction.

As the matter remains unresolved, Mr D's complaint has been passed to me for a 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.

As Mr D paid for the flights using his Aqua credit card, there were two possible avenues that Aqua should have explored in helping Mr D with his dispute. The first of these was a chargeback. I'll briefly explain how this process works.

In certain circumstances, when a cardholder has a dispute regarding a transaction, as Mr D does here, Aqua as the card issuer can attempt to go through the chargeback process. Where applicable, Aqua raises a dispute with the supplier and effectively asks for the payment to be returned to the customer. While it's good practice for Aqua to attempt a chargeback where the right exists and there is some prospect of success, a chargeback isn't guaranteed to result in a refund for the cardholder. It all depends on the circumstances of each dispute.

Here, Aqua raised a chargeback for the full amount of the return flight cost. Mr D says Aqua mishandled this, as he had made it clear he only wanted to dispute the difference between the advertised flight cost on B's website, and the amount he was then charged on his credit card after the transaction was converted from CAD to GBP.

I've looked at the information Mr D gave to Aqua initially. He said the following:

*'I booked a ticket from B {my redaction} and the price it showed me while paying was £730 something also as shown in the image shared by me the amount was CAD 1370 which means as per the date 25/6/25 even the conversion rate was CAD0\*53 for gbp which equals to £726 however while booking and paying the final amount it showed me 730£ which I paid but when I checked this transaction it's more than that and then as per the policies I have been charged the conversion so I should be originally charged 730£ as shown and not more.*

*I can't contact B {my redaction} regarding cause I'm not sure if its Aqua or B {my redaction} who charged as I did the transaction on 25/6/25 but on my card it's processed on 27/6/25 so I'm not sure who took that money'.*

I don't think the above statement from Mr D clearly explained that he was only disputing around £11. It reads to me that he's disputing that B charged the amount that it did. And that in effect, related to whether B mis-advertised the full price on its website or whether it had been converted from CAD to GBP incorrectly. So, I can understand why Aqua raised a chargeback for the full amount. I also note that Mr D signed a declaration below his statement saying that he disputed £741.34. I think Mr D should have made it clear that he was only disputing the specific amount he wanted to dispute, and I'm afraid that I don't think that he did. As a result, I don't think Aqua mis-led him on this or mis-handled the chargeback it raised.

B defended the chargeback on the basis that it felt it had correctly advertised the flight cost in CAD, and they sent reasonable evidence of this to Aqua from its systems. So, bearing in mind how Mr D had framed his dispute, and how B had defended the chargeback, I don't think it was unreasonable for Aqua to have felt the chargeback wouldn't have succeeded had they continued to take it further.

I note that Mr D says his passenger was refused boarding on the return flight, which meant the services B had agreed to provide hadn't been provided. However, that wasn't known at the time Aqua raised the chargeback; indeed, it only happened because the chargeback was raised. Aqua had no grounds to challenge the defence of the chargeback from B on the basis that services hadn't been provided, when that wasn't the reason put forward initially to them that Mr D should get his money back.

I also note that Mr D says Aqua didn't warn him the return flight might be suspended if a chargeback is raised. But Aqua couldn't have assumed that B would have done that. That was a decision made solely by B.

Overall, and for the reasons I've set out above, I don't find that Aqua handled the chargeback unfairly or unreasonably.

The second avenue that Aqua could have considered was s75. In summary, Aqua can be held responsible under this legislation for breaches of contract or misrepresentation by the supplier, if certain requirements are met for a s75 claim to be valid.

As I've mentioned above, the dispute was initially raised by Mr D on the basis of being incorrectly charged. That seems to have now evolved into a dispute that his passenger was unable to use the service (i.e. the return flight) and that Mr D is entitled to a refund, as well as other associated costs. There has been some dispute about whether the required DCS relationship is in place. But, irrespective of that, I don't agree I would be able to find there was a breach of contract on the part of B. I say this having noted that Mr D recently received an adjudication from an Alternative Dispute Resolution body about how B dealt with the suspension of the flight, who determined that Mr D's claim didn't succeed and that B didn't need to take any action. And it wouldn't now be appropriate for me to effectively reconsider this.

Finally, going back to the original claim Mr D made, I've not seen enough evidence to show that B misrepresented the cost of the flight to Mr D or that this was converted to GBP incorrectly, as B presented reasonable evidence to support their position on this when it defended the chargeback. And Mr D hasn't sent much persuasive evidence that might have made me think B was incorrect, such as for example a screenshot from B's website of the advertised price and the context around that price and how that might convert to GBP.

### **My final decision**

For the reasons I've set out above, I don't uphold this complaint.

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

Daniel Picken  
**Ombudsman**