

## **The complaint**

Mr S complained about a disputed transaction on his account and says American Express Service Europe Limited (“AMEX”) didn’t handle his complaint correctly.

## **What happened**

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, Mr S says he tried to book a return flight online, but after making the payment he received a confirmation email with incorrect flight details, and he later discovered the flight was not even booked in his name. Mr S says he raised this with AMEX, but it didn’t raise his dispute correctly. As a result, AMEX added late payment and interest charges to his account and recorded negative information on his credit file. Mr S says he spent over 30 hours dealing with this issue and this error caused prolonged distress. So, he says £600 would be a fair amount of compensation.

AMEX accepted that it had not initially raised Mr S’s complaint correctly. However, it rectified this error and then correctly opened this as a fraud case on 6 September 2025. Following its investigation AMEX refunded the disputed charge, removed all late payment fees and interest charges, and removed the adverse information recorded on his credit file. AMEX then apologised for the initial errors and paid him £200 in compensation.

Unhappy with AMEX’s outcome Mr S brought his complaint to us. An investigator completed an independent review of this complaint and decided not to uphold it. She highlighted that AMEX had now refunded the disputed charge and removed all implications of this charge on his account and credit file. And she felt the £200 paid was fair compensation for AMEX’s errors. Mr S wasn’t happy with this outcome, so the complaint has been passed to me 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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I’ve focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I’m satisfied that I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

Mr S brought his complaint to AMEX initially in July 2025 as a complaint about a transaction he made which he complained was fraud. AMEX didn’t log this as a fraud complaint and instead raised a chargeback about this transaction which the merchant defended. Following this, AMEX understood that this was actually a fraud complaint as Mr S said the travel ticket

issued wasn't even in his name. This was then correctly logged by AMEX in September 2025, and it refunded the payment in dispute. So, as the original payment has already been refunded and both parties are happy with the outcome on this point, I will not comment on this further.

Mr S's complaint is now about the poor service he received from AMEX and the effect its actions had on him. Mr S says he is unhappy the complaint was not initially logged properly and he has spent countless hours on the phone to AMEX, speaking to them via their chat function, and drafting correspondence in relation to this complaint. He also says that having adverse information on his credit file caused distress and meant that he was fearful about looking for credit as he thought he would be rejected.

The investigator considered this request for more compensation but ultimately decided the £200 paid by AMEX was fair. When Mr S didn't agree, the investigator asked for evidence of how the adverse information on his file affected him evidence to support Mr S's claim that his time spent on this complaint was worth more than £200 in compensation. I've seen some screenshots showing that Mr S also discussed his complaint with AMEX on chat and the calls logs, but this evidence is incomplete and doesn't persuade me that Mr S had to spend significantly more time on this complaint than we commented on. As an evidence-based Service, we base our decision on what the evidence shows us to come to a fair outcome. And so, I will be relying on the evidence submitted by Mr S to decide if the compensation already paid is fair and reasonable.

As set out in our guidelines online, using financial services won't always be totally hassle free and we wouldn't award for things that aren't more serious than the normal nuisances of everyday life. So just because there's been a mistake it doesn't necessarily follow that we would always award compensation – especially when the impact is minimal. When considering the time spent and how Mr S has been inconvenienced, we don't usually consider, for example, someone's hourly rate. Instead, we'll look at the overall impact the business's mistake had.

We expect that things will go wrong and from time-to-time customers may have to complain to their financial provider, which takes some time and effort. As set out by the investigator, Mr S spent around a total of 3 hours on the phone to AMEX and I've seen evidence that he also spoke to AMEX over chat. I agree that this does feel like more than a reasonable amount of time to spend on the complaint, so I do agree compensation is due here. Mr S also says he had to spend a long-time drafting correspondence in relation to this complaint and compiling evidence in support of his fraud complaint. However, AMEX is entitled to investigate all the complaints it receives, and the time spent compiling evidence or drafting correspondence in support of his complaint is not something AMEX ought to compensate him for.

Mr S says he also should be given compensation for the distress and inconvenience caused by having adverse information recorded on his credit file for a few months. I can understand that having negative information about a fraudulent charge would be distressing. And I am pleased to see this was rectified following the resolution of his complaint. Adverse comments on his credit file might affected his ability to gain lending during this time, but I haven't been provided any evidence that Mr S had applied for any lending which he was rejected for. So, I can't say that this had any other impact on him other than the understandable distress caused. I have no intention of taking away from the fact that this must have been stressful, but my conclusion is that I have not been persuaded it prevented him from getting any lending he had applied for.

The investigator felt the compensation of £200 paid by AMEX was fair and I think this outcome is reasonable. As per our guideline, an award between £100 and £300 might be fair

where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation. The error here was that AMEX didn't understand and log Mr S's complaint correctly, and I think this took a reasonable effort to sort out and clearly did cause some distress. I appreciate that Mr S thinks more compensation is due, but as per our guidelines and the reasons outlined above, I still think the award paid was fair.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 May 2026.

Sienna Mahboobani  
**Ombudsman**