

The complaint

Mr W complains about the way in which American Express Services Europe Limited trading as American Express (“AESEL”) handled his disputed transaction claims.

What happened

Mr W holds a British Airways American Express Premium Plus Card. He noticed three transactions on his account which he didn’t recognise and raised three disputed transactions claims online. The dispute cases related to transactions at LINKEDIN dated 26 November 2023, 26 December 2023 and 26 January 2024 for £34.99 each.

AESEL investigated the chargeback claims and sent substitute records to Mr W in February 2024, together with notification that the cases had been closed.

Mr W contacted AESEL on 13 March 2024. The agent he spoke to advised Mr W that he needed to submit document before the cases could be reopened. AESEL later acknowledged that this advice wasn’t correct and that the chargebacks should’ve been reopened.

On 28 March 2024 Mr W raised the disputes again. On 12 April 2024 the merchant provided information to show that the charges were in respect of a subscription. On 15 April 2024 AESEL resolved the disputes in the merchants favour and advised Mr W of the decision.

Mr W complained to AESEL. AESEL partially upheld the complaint. It said it hadn’t made an error when it determined the disputes in favour of the merchant. But it acknowledged that when Mr W contacted AESEL by telephone on 13 March 2024 the agent should’ve re-opened the dispute, rather than ask Mr W to provide documents. AESEL apologised for the error and credited £50 to Mr W’s account as a gesture of goodwill.

Mr W remained unhappy and brought his complaint to this service.

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.

When dealing with chargebacks, banks and providers of credit need to do so within the remit of the rules set by the relevant card scheme.

Chargebacks are a voluntary scheme. How it works is that the card issuer (in this case AESEL) checks the complaint against the possible chargeback reasons to see what sort of evidence is required to investigate the claim. The evidence will determine whether the card issuer thinks it can make a successful claim for the customer. Card issuers don’t have to submit claims and they will only do so if they believe they have evidence that will support a successful chargeback claim. This service expects card issuers to help customers if they can, but we don’t expect them to raise a chargeback if there is little prospect of success.

I’ve looked at Mr W’s request to raise a chargeback to see whether AESEL acted fairly and

reasonably when it declined the chargeback.

When AESEL contacted the merchant about the disputed transactions, the merchant provided evidence that the transactions were recurring charges for a Premium Career subscription on Mr W's LINKEDIN account. The merchant provided details of the transaction.

Mr W has said that he doesn't think the evidence provided is sufficient to prove that the recurring charge was authorised.

The relevant regulations here are the Payment Services Regulations 2017. These regulations require banks and other providers of credit to refund payments if the payments weren't authorised.

I've reviewed the information provided by the merchant (LINKEDIN). This confirms that Mr W purchased an auto recurring monthly subscription on his LINKEDIN account. LINKEDIN provided AESEL with a copy of the recurring transaction receipt and confirmed that the name on the receipt matched Mr W's profile.

Based on what I've seen, the evidence shows that Mr W set up a continuous payment authority. This gave LINKEDIN permission to debit Mr W's chosen payment method (his AESEL card) on a monthly basis.

Mr W hasn't provided any evidence to show that he didn't authorise the payments, nor has he offered any explanation for his this could've happened without his authority. What he has said is that he doesn't think the evidence provided by the merchant is sufficient to show that he authorised the transaction. I've explained above why I think the evidence is sufficient.

Taking all the available information into account. I don't think AESEL has made an error or treated Mr W unfairly by declining the chargeback claims. For this reason, I won't be asking AESEL to refund the transactions.

AESEL has acknowledged that it could've provided better customer service to Mr W when he contacted them about the claim. It has paid compensation for the error made. I've thought about whether the compensation is fair and reasonable and, in this case, I'm satisfied that the amount paid is in line with what this service would award, so I won't be asking AESEL to pay further compensation.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 September 2024.

Emma Davy
Ombudsman