

BEFORE THE DEPARTMENT OF TRANSPORTATION
OFFICE OF AVIATION ENFORCEMENT AND PROCEEDINGS
WASHINGTON, D.C.

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| Chaim Zeev Rozen, |) | |
| third-party complainant |) | |
| |) | |
| v. |) | Docket DOT-OST-2025-____ |
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| Virgin Atlantic |) | |
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COMPLAINT OF CHAIM ZEEV ROZEN

Comments with respect to this document should be addressed to:

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Dated: 04/09/2025

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COMPLAINT OF CHAIM ZEEV ROZEN

This complaint arises out of Virgin Atlantic falsely accusing me of “loyalty fraud” when in fact I did nothing more than transfer points from my Chase credit card and book tickets for my parents and brother. Rather than notify me of the cancellation, as DOT rules require, Virgin Atlantic left me and the passengers to figure it out ourselves, at the very last minute, when replacement flights were more costly (and special meals, required by the passengers’ religion, were no longer available). Plus, rather than providing me with any evidence against me and hearing me out as to my insistence of innocence, Virgin Atlantic repeatedly insisted their decision is “final” – despite their own contract promising to “act reasonably”. This Alice-in-Wonderland mess is manifestly unfair, and calls for DOT intervention to protect me, my family, and other passengers against Virgin Atlantic’s arbitrary and incorrect efforts at supposed fraud prevention.

I. FACTS

A. Booking and Ticket Cancellations

1. On December 3, 2023, I opened my account with Virgin Atlantic Flying Club. On October 26, 2024, I transferred points from my Chase account to my Virgin Atlantic Flying Club account, I transferred 65,000 points and received 91,000 points in my Virgin Atlantic account. Chase grants points at varying rates depending on the customer’s purchase category, but in Chase’s basic “all other” category, earning 65,000 points requires spending \$65,000.
2. On October 26, 2024, I made a booking through the Virgin Atlantic website for my parents and my 12 year old brother to travel from New York to Milan

on Delta Airlines on October 28, 2024. All three of the passengers share the same last name as me. I entered my contact details and received an email confirming that the tickets were confirmed. See Exhibit 1.

2. On October 28, I attempted to check my family into their flight. I discovered that they could not check in.
3. I called Delta to ask about the check-in problem. Delta told me that Virgin Atlantic cancelled the tickets. I was forced to purchase last-minute tickets for my family at a higher price, transferring and using an *additional* 69,000 Chase points to a different program, as well as paying an additional \$96.90, to buy alternative tickets. Furthermore, because I had to purchase tickets for the same day, I was unable to select a special meal for the flight. (Special meals require 24 hours notice.) The passengers needed special meals to accommodate dietary restrictions based on their religion.
4. Checking my Virgin Atlantic account, I found that I had been locked out of it and could not log in. When attempting to access it, I received the message, "We are unable to process your request. Please try again later or simply continue as guest". It notably did *not* say "we have intentionally locked your account as a penalty for supposed misconduct", although I later learned that to be the case.
5. Virgin Atlantic did not contact me about the flight cancellation, nor about my account lock. I figured this out only by asking Delta (which told me it was Virgin Atlantic that canceled my ticket) and by trying to log into my Virgin Atlantic account.
6. I attempted to resolve this situation by contacting multiple teams at Virgin Atlantic as detailed in the subsequent sections. I received no substantive explanation. This was immensely frustrating. One, Virgin Atlantic wrongly accused me of misconduct, when in fact I did nothing wrong. Two, when I attempted to communicate with Virgin Atlantic, they were not just unhelpful but genuinely disrespectful. Although their contract requires them to "act reasonably", they refuse to provide even a shred of the supposed evidence against me, and they repeatedly claimed that their decision is "final" without indicating even having considered my denial of wrongdoing. Three, Virgin Atlantic canceled the tickets at issue without telling me, increasing the damage because I had even less time to buy replacements. Four, Virgin Atlantic seized the Chase credit card points that I earned by spending \$65,000 over 18 months, points that I would have used in some other way had I known that Virgin Atlantic would arbitrarily seize them. The totality of the situation is Kafkaesque – an incorrect penalty meted out arbitrarily by a secret adversary that claims to be its own judge, jury, and executioner, with no apparent concern for either fairness or the DOT regulations that rightly disallow these tactics.

B. Communications with Virgin Atlantic's Customer Service and Loyalty Fraud

7. As soon as Delta told me that Virgin Atlantic had canceled the ticket I booked for my relatives, I contacted Virgin Atlantic by phone. The Virgin Atlantic representative said that they had no details to provide me and that I needed to send an email to the Loyalty Fraud Team (which cannot be contacted by phone). They said I would receive a response within a few days – despite this being just hours before the flight.
8. I immediately contacted Virgin Atlantic's Loyalty Fraud Team by email to request their immediate assistance. See Exhibit 2, page 5 in the Exhibit Packet. On October 29, 2024, Virgin Atlantic replied stating: "Your account has been suspended following recent investigations by our fraud protection team. We believe that your account has been used for fraudulent activity and has therefore breached our Flying Club Terms and Conditions." See Exhibit 2. Tellingly, the Loyalty Fraud Team's reply did not specify a single fact that supported their "belief" that my account "has been used for fraudulent activity" – they simply stated this conclusion, and imposed a penalty, as if it was indisputable fact.
9. I replied to explain that my activity was entirely legitimate. See Exhibit 2, page 6. Nothing could be more routine than a person transferring points in from a partner. (Virgin Atlantic not only allows this but encourages it – because partners pay Virgin Atlantic when they transfer points in.) And nothing could be more routine than one person redeeming points for another, again as Virgin Atlantic's rules specifically permit. I did not mention – but it should have been obvious to any investigator or "Fraud Team" analyst – that my last name is the same as the passengers on the ticket, making it apparent that we are, indeed, relatives.
10. Virgin Atlantic's Loyalty Fraud team offered no substantive reply. See Exhibit 2. Instead, they merely restated their position: "Unfortunately, owing to the enhance (s.i.c.) review conducted with our fraud systems we will not be reinstating your account, nor could we reply on any further correspondence on this case." Despite Virgin's protestations, there are obvious methods for Virgin Atlantic to investigate. If they thought I was selling points, they could have asked me, and I would have told them no. If they didn't believe my simple attestation, they could have asked me to submit a sworn or notarized statement. They could ask me to explain my relationship with the passengers, or to prove it, and I could easily have done so. (My birth certificate shows that I, the account-holder, am the offspring of two of the passengers. And my brother's birth certificate shows that he is also their offspring.) They could examine our booking patterns, which would have shown that none of us has ever redeemed points for any third party unknown to us, nor have we ever offered points for use by any third party unknown to us. Nothing in Virgin Atlantic's communications with me indicates that they did any investigation like this, nor that they investigated in any other appropriate way.

They seem to have seen the inbound transfer (from Chase) and redemption (on Delta) and immediately assumed the worst.

11. Even when I twice more protested my innocence (October 29 and November 3 messages in Exhibit 2), the Loyalty Fraud team offered no substantive response and simply continued to state that they will not reinstate my points and will not reply further. When I twice more protested (November 3 and 10, Loyalty Fraud replied that they “are unable to verify the account details” – not that there was any serious indication of them having even *tried* to verify anything (not to mention trying and failing). Loyalty Fraud then stated that my only option was to proceed to arbitration or a BBB complaint.
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C. Failure to Resolve the Issue via Executive Escalation and Informal DOT Complaint

12. Unsatisfied with the lack of a substantive response from the Loyalty Fraud Team, I wrote to Virgin Atlantic's Customer Care department on November 3, 2024. See Exhibit 3, page 9. Virgin Atlantic Customer Care replied that the decision by the Loyalty Fraud Team was “final.” When I protested further (November 6 message), Customer Care reiterated that no further action would be taken, plus added that they “are not at liberty to discuss” my case. See Exhibit 3, pages 10-11.
13. On November 10, 2024, I filed an informal complaint with the Department of Transportation (DOT) via <https://www.transportation.gov/airconsumer/file-consumer-complaint>. See Exhibit 4 pages 12-13. On January 13, 2025, Virgin Atlantic responded as shown in Exhibit 5 (page 14). With DOT watching, Virgin Customer Care claimed I could “discuss this matter, via email, with [their] loyalty fraud team” – although the correspondence in Exhibit 2 shows that the Loyalty Fraud team was not interested in any discussion and would only state that their decision was final. When I replied to explain that I had been falsely accused (Exhibit 5 page 15), Virgin Atlantic claimed they are “unable to reverse” the decision by Loyalty Fraud and also that “we would not be in a position to provide any form of compensation” for the alleged error. Despite further messages (February 1 and 6), including Virgin inexplicably addressing me with a name not my own and not present in the record, the substance of their position remained unchanged. See Exhibit 5 pages 16-17.

II. LEGAL ANALYSIS

A. Virgin Atlantic Failed to Provide a Refund for Cancelled Flights as Required under 14 CFR § 260.6 and § 260.10

14. Virgin Atlantic's actions violate regulation 14 CFR § 260.6, which mandates that airlines provide a full and prompt refund for cancelled flights. According to § 260.6(a), a carrier is required to issue a refund, including any taxes and ancillary fees, when a flight is cancelled. "A covered carrier ... must provide a full and prompt refund of the airfare for any cancelled flight." No exception to § 260.6 authorizes any deviation from this requirement.
15. In my case, the tickets for my family were cancelled without prior notice, and despite withholding either an alternative flight or compensation, Virgin Atlantic refused to refund the points. This is precisely contrary to the refund requirements of 260.6.
11. § 260.10 further requires that airlines issue refunds (1) promptly and (2) to the original form of payment. Since the tickets were paid for using miles transferred from my Chase account, this includes restoring the points to my Flying Club account, if not transferring back to Chase (so I can use them with some other program). However, Virgin Atlantic has refused to do any of this. This is the opposite of the "prompt" "payment method the individual used to make the original payment" required by § 260.10.

C. Failure to Notify Me or Passengers of Reservation and Ticket Cancellation

16. 14 CFR § 260.9 says that a carrier must "timely notify affected consumers" of any flight cancellation and alert them to their refund rights. Furthermore, §259.8(a) disallows secret cancellations, instead requiring that a carrier "promptly provide to passengers ... information about a change in the status of a flight" "within 30 minutes after the carrier becomes aware of such a change in the status." By its terms, § 259.8(a) applies to "passengers who are ticketed or hold reservations" on a flight – which includes me and/or the passengers for whom I booked these tickets. In canceling ticketed and confirmed itineraries, without any notice (not to mention notice within 30 minutes of that cancellation), Flying Club violated the § 259.8 obligation to notify passengers.
17. Virgin Atlantic did none of this. They canceled the itinerary at issue entirely silently, without telling either me or the passengers on the itinerary, although they had contact information for all of us. This violates both § 260.9 and § 259.8(a).
18. Virgin Atlantic's failure to notify me or the passengers caused additional harm. If Virgin Atlantic had notified me about the cancellation earlier, I could have better mitigated my damages by booking replacement flights for fewer points and/or lower price. If Virgin Atlantic had notified me about the cancellation earlier, I would have had enough time to request the special meals the passengers required for religious reasons. If Virgin Atlantic had notified me about the cancellation earlier, I could have handled the problem at a time that was convenient for me,

rather than needing to drop everything to investigate with urgency immediately before scheduled travel.

D. Arbitrary Action, Mistake, and Refusal to Provide Evidence or Consider the Possibility of Error

19. Throughout, Virgin Atlantic took the position that they are necessarily and certainly correct, and that they need not gather any evidence or hear anything from me in order to evaluate the correctness of their decision. This is in bad faith, contrary to the obligation under longstanding contract law that parties must act in good faith in their dealings under a contract.
20. Virgin Atlantic's actions are also contrary to the explicit promise in the Virgin Atlantic Flying Club Terms and Conditions, <https://help.virginatlantic.com/il/en/policies/terms-and-conditions/flying-club.html>, which states in Section 9 that "VAA and VR will act reasonably in exercising its rights under this paragraph." For one, I did not commit any breach of Section 9 that would justify canceling my reservation or seizing my points. Furthermore, Virgin Atlantic's refusal to provide any evidence, or to hear and consider my arguments of innocence, is plainly not acting reasonably. Treating a redemption as "fraud" when it is for passengers with the same last name is plainly not acting reasonably. Cancelling tickets without telling the passengers or the redeemer is plainly not acting reasonably.

III. REQUEST FOR RESOLUTION

I respectfully request that the Department of Transportation take the following actions:

1. Investigate the actions of Virgin Atlantic regarding the unjust suspension of my Flying Club account and the refusal to return my points, particularly in light of the absence of any evidence, the lack of notification of the cancellation, and the refusal to answer questions or provide evidence when challenged,
2. Require Virgin Atlantic to provide a full explanation of why it classified my account as fraudulent without asking me, without offering any evidence, without requesting or accepting any evidence from me that might establish my innocence, and without providing justification upon receiving my denial.
3. Require that Virgin Atlantic restore my Flying Club account and points.
4. Require Virgin Atlantic to compensate me and my family for the cost of alternative travel necessitated by their incorrect cancellation

5. Require Virgin Atlantic to compensate me and my family for the emotional distress resulting from the last-minute undisclosed cancellation of our tickets, the groundless accusation, the suspension of my account, their refusal to hear our denials or substantiate their actions, and their overall failure to resolve the matter in a transparent, fair, and reasonable manner consistent with governing law and their own contract.
6. Investigate whether other passengers are similarly situated, including by requiring Virgin Atlantic to share other customer correspondence with its “Loyalty Fraud” team or general customer service. If such investigation reveals that others have been harmed, require that they be compensated appropriately. Impose appropriate penalties on Virgin Atlantic consistent with the totality of misconduct found.

Respectfully submitted,
/s/
Chaim Zeev Rozen

Certificate of Service

I hereby certify that I have, this 9th day of April 2025 caused a copy of the foregoing Complaint to be served by electronic mail on the following persons:

Anita Mosner
Kimberly Graber, Esq.
Blane Workie, Esq.
Robert Gorman, Esq.

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/s/

Chaim Zeev Rozen