

## **The complaint**

Mr M has complained American Express Services Europe Limited didn't apply a block to his account after they confirmed they would.

## **What happened**

Mr M holds an Amex card and a member of his family is a supplementary cardholder on his account.

In March Mr M asked Amex to block a certain merchant from taking further payments from the cards. Amex confirmed they would. A month later Mr M noticed further transactions being made to the supposedly blocked merchant and phoned Amex again. They apologised for not applying the block and paid him £50 in compensation.

In May Mr M noticed further transactions to the same merchant. He raised further concerns with Amex. Amex told Mr M they couldn't block this merchant as the supplementary cardholder was using an app which Amex couldn't block.

Mr M was unhappy with this and brought his complaint to the ombudsman service. Our investigator told Amex she'd be upholding this complaint. Amex should have made it clearer to Mr M why they couldn't apply the block he'd requested.

Amex disagreed with this outcome. They drew our attention to the requirement under their terms and conditions for the cardholder to be liable for supplementary cardholder transactions which had been properly authorised.

This complaint has been referred to an ombudsman for 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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Amex provided us with copies of the calls they had with Mr M over this dispute. Amex had two opportunities on 16 March and 19 April to explain to Mr M why the specific payments he wished to block wouldn't be possible. But in fact Amex confirmed blocks would be placed. I accept further conditions were discussed on the call but I don't believe a customer would generally understand that this may mean blocking would be difficult.

The transaction itself is regarded as a recurring transaction. This places obligations on a financial institution to do what they can to minimise transactions as instructed.

From what I can see Amex had all the information they needed to make it clear to Mr M why what he wished wouldn't be possible. They understood a game was being used by the additional cardholder and weren't as specific as I'd expect in these circumstances.

There's always a slight imbalance in the relationship between a financial institution and their customer. In general the financial institution always has more power and knowledge. And in this case I'd have expected Amex to make more of an effort to explain why blocking these transactions wouldn't be wholly successful.

I appreciate what Amex has said about their terms and conditions. I don't dispute the supplementary cardholder authorised these transactions but at the same time, Amex were fully aware at the time that the main cardholder was asking for their assistance to prevent further transactions.

Overall I think Amex should have done more.

### **Putting things right**

Further small-value transactions continued to be made to Mr M's Amex card account after Mr M requested these to be blocked. Mr M's statement for May (dated 15 May 2022) show transactions for dates in April and May. There may well be additional transactions.

I can see Amex sent Mr M a final response to his complaint dated 30 June 2022. This explained fully why a block wouldn't be possible. I think at that date Mr M should have known he would need to take other steps to stop further use by the supplementary cardholder. I appreciate this is a sensitive family issue for Mr M and he may not wish to raise this directly. However I don't believe it would be fair to expect Amex to sort this issue out for him long-term now that he knows why this proves difficult.

Amex will need to reimburse Mr M for all the transactions subject to his blocking request from 15 April to 30 June 2022. 8% simple interest should also be added to this amount.

### **My final decision**

For the reasons given, my final decision is to instruct American Express Services Europe Limited to:

- Reimburse Mr M for transactions made to the merchant he blocked from 15 April to 30 June 2022; and
- Add 8% simple interest to those transactions from the time they were debited from Mr M's account until the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 January 2023.

Sandra Quinn  
**Ombudsman**