

The complaint

Mr K has complained that American Express Services Europe Limited ('Amex') hasn't refunded him for counterfeit stamps he bought using his Amex credit card.

What happened

Mr K bought a number of stamps between 2018 and 2021, using his Amex credit card. This was via eBay, and was from different sellers. The stamps were described as being in mint condition. However, when Mr K tried to use the Royal Mail 'Swap Out Scheme', he was only able to swap 471 stamps. The other 2,518 were returned, as either having already been used, or not being genuine.

Accordingly, he contacted Amex to raise a claim under section 75 of the Consumer Credit Act 1974. However, it declined this. He then brought his complaint to our service. He feels Amex was wrong to decline his claim, and also said that it didn't clearly advise him about the appeals process.

One of our investigators looked into what had happened, and was able to verify the following four separate transactions:

1. 31 December 2018: £69.99 – 120 blue first class stamps;
2. 28 April 2021: £120 – x4 sheets of 50 second class large letter stamps;
3. 21 November 2021: £106.20 – x1 sheet of 50 blue second class large letter stamps; and
4. 26 November 2021: £295 – x1 sheet of 50 blue second class large letter stamps.

First, she noted that it may be possible that there was a break in the debtor-creditor-supplier link for some/all of the transactions, which would mean section 75 wouldn't apply. However, she didn't consider this further. This was because, even if a valid link were in place, she didn't think it unreasonable for Amex to decline the section 75 claims.

As regards transaction 1, this fell outside the scope of section 75, because the value of the item must be more than £100 for the legislation to apply.

As regards transaction 2, she considered that this also fell outside the scope of section 75, because there were four separate items, which again, meant that each individual one fell below the requirement of being more than £100.

This left transactions 3 and 4, which were two separate transactions. As regards these, she explained that evidence would be required of which specific stamps were used/fake, and then these specific stamps would need to be linked back to the specific seller. But she explained that, having seen the order confirmation emails, it appears that all the stamps purchased fundamentally look the same or similar – they were all blue first or second-class large postage stamps in large packs. Because of this, it would be difficult to tell which items from the original purchase were genuine, and sold by which seller. And for section 75, it would be necessary to show this.

Finally, our investigator looked at the customer service provided. Mr K has explained that he wasn't told that if his claim(s) were declined, he could complain to Amex. Having looked at Amex's terms and conditions, she thought these were clear. But, in any event, she didn't think any delay in Mr K coming to our service would have affected the outcome.

Mr K disagreed, so his complaint's been passed to me.

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'm not upholding it. This is for the same reasons as given by our investigator, and there's little I can meaningfully add to the conclusions she reached – which I adopt here.

I've put aside the issue of whether there was a break in the debtor-creditor-supplier link. This is because, even if there wasn't, I think Amex was reasonable in declining the claims. This is because transactions 1 and 2 fall outside the financial limits of section 75.

Looking then at transactions 3 and 4, I'm satisfied that it would be extremely difficult to determine which seller provided which (and indeed, this hasn't been done).

I have considerable sympathy for Mr K, and I understand that he has strong feelings that it's clear he was provided with fake/used goods. I agree he has been, so it must be very frustrating, as well as costly. But my role is to decide if Amex has behaved unfairly. And, for the reasons given, I don't think it has.

Finally, I think Amex's terms and conditions do explain that a complaint can be made, when a claim is declined. So I don't think it behaved unfairly regarding this either.

My final decision

It's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 11 March 2025.

Elsbeth Wood
Ombudsman