

## **The complaint**

In summary, Mr B complains that American Express Services Europe Limited (AESEL), charged him late payment fees in respect of the corporate charge card he had with it. He thinks the late payments and charges were the responsibility of his former employer.

## **What happened**

In 2017 Mr B applied for a corporate charge card. The application form recorded that the liability for the card was “combined liability” with his employer. Mr B said he used the card to pay for company expenses.

Mr B subsequently left his employer and was contacted by AESEL for payment of an outstanding balance on the account. Mr B said that prior to leaving his previous employer, he had submitted his final batch of expenses. He was subsequently contacted by AESEL as there were delays in payment being made on the account. This resulted in late payment fees being added to the account.

Mr B considered his former employer to be responsible for the delay in payment, and complained to AESEL after it asked him to settle the outstanding balance on the account. In its response to Mr B’s complaint, AESEL explained it had written to him in September 2023 informing of the termination of the account and asking him to pay the outstanding balance due. It went on to explain that Mr B and his former employer were jointly liable for all charges incurred by him in relation to the account, and that the liability continued to apply to all unpaid charges on the account even after the termination of his employment. It didn’t uphold his complaint.

Mr B’s concerns were looked into by one of our investigators. They explained why they didn’t think the complaint should be upheld. Mr B didn’t agree, so the case has been passed to me for review.

## **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 have decided not to uphold Mr B’s complaint. I’ll explain why.

I can understand that as Mr B has left his former employer, he is frustrated that there is an outstanding amount on the charge card that he is being asked to pay. I need to consider whether AESEL has done anything wrong in asking Mr B to pay the outstanding balance on the account.

The charge card was a corporate card. AESEL has provided a copy of the online application Mr B completed. Section 6 of the application form sets out card details. This explains that the liability type for the card, was “combined liability.” The terms and conditions for the card set out in section 12, the liability for charges. In summary, this explains that “combined

liability” means that Mr B and his employer who authorised him to have the card, would be jointly and severally liable for all charges incurred by him, but not charges of a personal nature that didn’t benefit the company or for which he had been reimbursed. So, I’m satisfied Mr B would have been aware that it wasn’t just his former employer who was responsible for payment of charges incurred on the card account.

I understand why Mr B believes from his perspective, the delay in payment which resulted in the late fees being applied, is the responsibility of his former employer. But under the terms of the card agreement, he was jointly and severally liable for any charges applied to the account. This means that both Mr B and his former employer were responsible for charges incurred on the account. And that AESEL could look to Mr B for payment if his former employer didn’t settle the outstanding balance.

I’ve seen from the evidence provided by AESEL that it has attempted to contact the administrator responsible for the AESEL account at Mr B’s former employer, to discuss payment, but had been unable to contact them. So, I don’t think it was inappropriate of AESEL to have contacted Mr B for payment if it didn’t have any communication from the employer. If Mr B has concerns that the charges on the account haven’t been settled due to delays on the part of his former employer, that is something that he will need to raise directly with them. But for the reasons I’ve explained, I don’t consider AESEL to have done anything wrong.

### **My final decision**

For the reasons I’ve set out above, my decision is not to uphold Mr B’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 25 September 2024.

Simon Dibble  
**Ombudsman**