

The complaint

Mr A complains about a warning email American Express Services Europe (Amex) sent him concerning how payments were made to his account.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

Mr A has a charge card with Amex. On 15 April 2024 Amex emailed Mr A and said “We recently noticed that one of more payments on your American Express Card Account referenced above was made by your Supplementary Cardholder(s). We’d like to make sure you are aware of this payment(s)”. The email went on to warn Mr A that all future payments should be made from a bank account held in his name as the account holder.

Mr A’s explained that whilst there is a supplementary card holder attached to his account, they’ve never made a payment to Amex on his behalf. Amex issued a final response on 25 April 2024 but didn’t agree it had made a mistake. Amex reiterated that its terms and conditions required payments to be made from Mr A’s bank account. Amex repeated that payments made from the supplementary cardholder are not permitted. Amex paid Mr A £50 as a gesture of goodwill but didn’t uphold his complaint.

An investigator at this service looked at Mr A’s complaint. They thought Amex had dealt with Mr A fairly and sent him a reminder as part of a wider campaign so customers were aware that payments from a supplementary cardholder are not permitted. Mr A asked to appeal and pointed out the email Amex sent him specifically said it had noticed one of more payments made to his account had been made by the supplementary card holder. Mr A explained his view was that the email was specifically targeted at him and based on incorrect information about his account use. As Mr A asked to appeal, his case was recently passed to me to make a decision.

I reviewed Mr A’s case file and asked the investigator to contact Amex to request some additional information. I asked Amex why it had chosen to send the email to Mr A specifically. I asked Amex to confirm whether the supplementary cardholder (or any other third parties) had ever made a payment to Mr A’s charge card account. I also asked Amex to supply evidence to support its response. Amex responded and advised it had sent a general reminder concerning the terms and conditions governing whether payments can be made by supplementary card holders. Amex said the email was sent to customers who have a supplementary card holder attached to the account – as Mr A does. Amex also confirmed that the decision to send the email wasn’t made on the basis it had found the supplementary card holder attached to Mr A’s account had made payments on his behalf.

What I’ve provisionally 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.

I'd like to start by confirming that in addition to reading the full case file and reviewing all the available evidence, I've also listened to Mr A's call with our investigator on 28 May 2024 in full. During that call, Mr A and the investigator discussed the basis and outcome of his complaint. I felt Mr A made a reasonable point when he said the email he'd received appeared to be specifically targeted at him on the basis the supplementary cardholder had made payments to his account which was false. As a result, we've since obtained more information from Amex concerning why it decided to email Mr A on 15 April 2024.

When I contacted Amex I asked it to specifically confirm whether any payments had been made by Mr A's supplementary card holder. Amex's response confirms no payments of that nature had been received for Mr A's account. I think it's reasonable to say that is at odds with the notice Amex sent Mr A which specifically said "We recently noticed that one or more payments on your Amex card account...was made by your supplementary card holder."

Whilst I'm pleased Amex has now confirmed no third party payments were made to Mr A's Amex account, which means he hasn't breached the terms, I'm satisfied the nature of its email to him caused an unreasonable amount of upset. It's clear Mr A felt he'd been unfairly targeted for breaching terms and conditions, despite doing nothing wrong. And I'm satisfied that in Mr A's case, the way Amex communicated with him wasn't fair.

I understand Mr A wants an apology from Amex. But I think it's reasonable to note Amex's final response did apologise that its email left him feeling dissatisfied. I can also see that Amex paid Mr A £50 as a gesture of goodwill, without accepting it had made an error. In my view, the £50 gesture of goodwill doesn't fairly reflect the level of distress and inconvenience caused to Mr A following receipt of Amex's email. As a result, I intend to increase the award by a further £100, taking the total settlement to £150, in recognition of the distress and inconvenience caused to Mr A. I think that figure more fairly recognises how frustrating this situation has been for Mr A. So unless I see any new information that changes my mind, I intend to uphold Mr A's complaint and direct Amex to pay him a further £100.

I invited both parties to respond with any comments or new information they wanted me to consider before I made my final decision. Amex confirmed it is willing to proceed. Mr A responded and said my provisional decision failed to say whether Amex's actions were wrong. Mr A also said the PD didn't confirm whether by sending him the email in question, Amex had made an error. Mr A added he didn't agree that Amex's response was a proper apology and asked for another that confirmed it had made a mistake.

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.

I'd like to thank Mr A for his comments in response to the investigator but I think it's reasonable to say they're largely in line with previous submissions he's made to us. My provisional decision upheld Mr A's complaint on the basis that the emails he'd received about supplementary card holder payments didn't reflect how his account had been handled. I agree with Mr A that it was wrong for Amex to send him the email and that it made a mistake by doing so.

I'm sorry to disappoint Mr A, but I'm not going to tell Amex to write a letter of apology as I'm satisfied that it's final response along with an increased payment of £150 to reflect the distress and inconvenience caused is a fair way to resolve his complaint. I leave it to Mr A to decide whether he wishes to accept or not.

As I haven't been persuaded to change the conclusions reached in my provisional decision,

I'm going to proceed on that basis and uphold Mr A's complaint by telling Amex to pay him a total of £150 for the distress and inconvenience caused (less any compensation already paid).

My final decision

My decision is that I uphold Mr A's complaint and direct American Express Services Europe Limited to settle by paying him a total of £150 for the distress and inconvenience caused (less any payments already made).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 October 2024.

Marco Manente
Ombudsman