

The complaint

Miss A complains American Express Services Europe Limited ('AESEL') didn't communicate fairly with her regarding her credit card account.

Miss A would like her concerns to be addressed.

What happened

Miss A held a Platinum credit card with AESEL and applied for a new British Airways American Express Premium Plus credit card ('BA card').

Miss A complained to AESEL that she'd been misinformed a direct debit was set up for the BA card, and that she hadn't been made aware of the BA card's £300 annual fee.

AESEL didn't uphold Miss A's complaint but as a goodwill gesture they refunded interest of £115.27 that had been charged because of the issue with the direct debit.

Miss A referred her complaint to the Financial Ombudsman Service saying AESEL were in breach of their obligations in the Financial Conduct Authority's Handbook of rules and guidance ('FCA Handbook') – in particular, Principle 7 and the Consumer Duty.

Our investigator looked into the matter but thought AESEL had communicated clearly and fairly with Miss A and had acted reasonably in refunding interest of £115.27. He didn't uphold Miss A's complaint.

Miss A didn't agree, so the matter came to me to decide. I sought some further information from AESEL before reaching my 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.

I've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

I know this won't be what Miss A hoped to hear, but having reviewed this matter I've reached the same conclusion as our investigator for broadly the same reasons. I don't think AESEL have acted unfairly in these circumstances, so I've decided not to uphold Miss A's complaint. I'll explain why.

I acknowledge Miss A's asked me to consider the Consumer Duty, which says "*a firm must act to deliver good outcomes for retail customers.*"

I think it's important to say that this doesn't mean that customers will always get good outcomes or will always be protected from poor outcomes. In the context of Miss A's

complaint, it means I'd expect AESEL to communicate clearly with Miss A to enable her to make timely, informed decisions about her accounts with them.

In these circumstances I think the Consumer Duty reinforces AESEL's Principle 7 obligation to *"pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading."*

I've first considered how AESEL communicated their £300 fee to Miss A when she applied for her BA card online.

I can see on AESEL's website that they set out an annual fee of £300 in their representative example for the card, and this is also included in the summary box, terms and conditions (at section 2.3) and pre-contract information which AESEL direct customers to read before proceeding with an application.

I'm aware that upon being approved for the BA card Miss A was sent a copy of her terms and conditions, so she didn't have to proceed with the card if she didn't want to pay the fee.

In these circumstances I think AESEL clearly set out that there was a fee to pay if Miss A proceeded with her application, and she had an opportunity to make an informed decision about this.

I've also considered what happened with Miss A's direct debit for her BA card.

I've reviewed AESEL's account notes for Miss A's account and the online chat transcript between the parties on 18 June 2024. I'm aware that AESEL require customers to be logged into the account they want to discuss in order to use the online chat function.

I can see that when Miss A used the chat on 18 June 2024 to ask about her direct debit, she was logged in under her Platinum card account. I acknowledge this isn't Miss A's recollection, but I can't see from the chat transcript that AESEL gave Miss A any assurance that a new direct debit had been set up for her BA card.

In any event, as a gesture of goodwill AESEL refunded Miss A the interest that was charged due to the direct debit not being in place for her BA card. So, even if I did agree with Miss A, there's no loss to put right here.

For the reasons I've stated, I don't think AESEL were in breach of their regulatory obligations in their communication with Miss A here, nor do I think they've treated Miss A unfairly in these circumstances. So, I don't uphold Miss A's complaint.

My final decision

For the reasons I've outlined, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 30 April 2025.

Clare Burgess-Cade
Ombudsman