

The complaint

Mr D complains that American Express Services Europe Limited (AESEL) wouldn't issue him with a new card whilst he was out of the country. He's also unhappy that the AESEL agent he spoke to couldn't provide clear information about how his card could be received and activated.

What happened

Mr D contacted AESEL in June 2024 because his card had been blocked. Mr D was out of the country at the time and didn't have access to the physical card. Mr D requested to downgrade his card. The AESEL agent wasn't clear about whether the new card could be sent internationally, or whether it could be received by someone in the UK on Mr D's behalf.

Mr D spent almost two hours on the phone with the AESEL agent but was unable to obtain clear information on how he could receive and activate his new card. He asked to raise a complaint regarding the signature requirements for the new card and about the customer service he'd received.

AESEL didn't uphold the complaint. It said that when Mr D called on 21 June 2024 the agent had raised a request for a new card and confirmed security details with Mr D. It said that the delivery of the card depended on the requirements of the courier company but that it advised cardholders to be present at their registered address during acceptance of the card. AESEL said that Mr D had received the new card on 27 June 2024 via Royal Mail.

Mr D remained unhappy and brought his complaint to this service.

Our investigator upheld the complaint. He said that having reviewed the call he thought that AESEL could've given Mr D clearer answers to his questions about where the card could be delivered and whether a third party could open his post and send him the card information. The investigator said AESEL should pay compensation of £100 to Mr D for the distress and inconvenience caused.

AESEL accepted the investigators view. Mr D accepted the view and asked for the compensation to be paid directly to his bank account.

AESEL subsequently advised Mr D that it was issuing the compensation via a cheque which would, be sent to Mr D's registered address. Mr D was unhappy about this. He said he didn't currently reside at his registered address and didn't have access to his letterbox. Mr D said he had provided his bank details to facilitate an electronic transfer of the compensation amount, but AESEL had ignored his request and sent a cheque. Mr D said that if AESEL couldn't proceed with an electronic transfer he wanted an Ombudsman to review the complaint.

This service asked AESEL to cancel the cheque and pay the compensation directly to Mr D's account. AESEL replied and said it was its policy to send a cheque to the billing address it held on file. It said if Mr D was currently at a different address, it would like him to update his address on file and it would send the cheque there.

Mr D said that receiving a cheque wasn't an option. He repeated his request that the compensation was issued via bank transfer. Mr D also said that he wanted an Ombudsman to review the complaint because he didn't agree with the outcome of his complaint about the way AESEL handled his request for a new card. He said he believed that he should be awarded more compensation.

Because Mr D didn't agree with the investigators view about his complaint, I've been asked to review the complaint.

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 reviewed the relevant communications between Mr D and AESEL. Mr D wanted to know whether his new card could be sent internationally or whether it could be received by someone on his behalf at his registered address in the UK.

Based on what I've seen in the communications, the AESEL agent failed to give clear answers to Mr D's queries. The agent wasn't able to confirm whether Mr D needed to be present in the UK in order to have a new card issued or whether someone else could receive it on his behalf and send him a digital copy so he could activate it whilst abroad. The agent gave contradictory advice about this but at one point the agent did advise Mr D that the card could be sent internationally.

I've reviewed the terms and conditions of the account. There's nothing in them which states that a card can't be issued when a cardholder is out of the country.

I've also reviewed the information provided by AESEL regarding who can activate a card. This states that only the card member can activate a card, subject to exceptions in cases of a card member with hearing difficulties or an individual with power of attorney on the account.

Having reviewed the chat, I think the agent could've provided clearer information to Mr D in response to his questions. The contradictory information and lack of a clear answer caused frustration for Mr D on the chat, and the card was ultimately sent to his registered address when – as AESEL has acknowledged – the card could've been sent to Mr D internationally via courier.

Mr D has told this service that he still hasn't received the card. AESEL has said that the card was delivered to Mr D's registered address by Royal Mail on 27 June 2024 and that it has been activated and used since that date. This service has explained to Mr D that if he wishes to raise a complaint about the non-receipt of his card, he should raise this directory with AESEL in the first instance.

Taking everything into account, I'm in agreement with the investigators opinion that AESEL should pay compensation for the service failing on the chat. I think the sum of £100 is fair and reasonable.

Putting things right

To put things right American Express Services Europe Limited must pay compensation of £100 to Mr D.

Mr D previously requested that any compensation was sent directly to his bank account and

provided details of this. AESEL told this service that its policy was to send a cheque to the registered address of the cardholder. AESEL has more recently confirmed that it doesn't have a process to send bank transfers to cardholders for settlement but that it has historically settled by cheque or by crediting the account of the cardholder. In the case of the latter, AESEL has said that it can't place an account into credit but that at the current time Mr D's debit balance is such that it could credit the account.

In the circumstances I direct that AESEL credit Mr D's card account with the compensation.

My final decision

My final decision is that I uphold the complaint. American Express Services Europe Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 1 May 2025.

Emma Davy
Ombudsman