

The complaint

Ms S is unhappy with how American Express Services Europe Limited ('Amex') approve online transactions. Ms S has been represented in this complaint by Mr O, who is also a secondary cardholder on the account.

What happened

The complaint circumstances are well known to both parties, so I don't intend to list this chronologically and in detail. However, to summarise, Ms S has a credit card account with Amex, for which Mr O is a second cardholder. They are unhappy because, between September and December 2024, Mr O was unable to make online purchases with his card – he answered the questions on Amex's security system, but the transactions weren't approved, and his card was locked on multiple occasions.

Ms S made three separate complaints to Amex about this and said that, because Mr O hadn't been able to complete these transactions, they didn't receive the minimum spend that was required for certain rewards. And the matter was brought to the Financial Ombudsman Service for investigation.

Our investigator said that Mr O hadn't answered the security questions correctly for Amex to be able to approve the transactions. And, while Mr O had said he'd discovered the issue was with the date of birth – he was confirming his date of birth while Amex wanted the date of birth of the primary cardholder, Ms S – Amex hadn't been able to confirm what information was completed incorrectly when they spoke to Ms S or Mr O about this.

The investigator didn't think the problems that occurred were as a result of anything that Amex had done incorrectly, and Amex had already applied 2,500 reward points to Ms S's account. So, they didn't think Amex needed to do anything more.

Ms S didn't agree with the investigator's opinion and provided extensive comments explaining why. She said that Amex's security system was misleading, and any reasonable person would think they were asking for Mr O's date of birth when it was his card that was being used, not Ms S's date of birth. She also said that the scope of the investigation should be broadened to include the system flaw in Amex's security system, and should consider a technical explanation of how Amex distinguish between primary and secondary cards and how they validate the date of birth of a secondary cardholder.

Our investigator explained the scope of our jurisdiction, and that we couldn't punish businesses or ask them to change their systems.

Mr O responded to say that, when Amex asked for the cardholder's date of birth, he reasonably believed they wanted his date of birth. He also didn't think we'd dealt with this matter fairly and reasonably because:

- We treated the complaint as an online account login matter, not an Amex security system payment authentication failure, so the core dispute hasn't been addressed.

- Amex have failed to supply technical details about how their security system validates dates of birth.
- We accepted Amex's system logs as being accurate regarding declined transactions without considering contemporaneous reports and chat logs.
- We concluded Amex had acted reasonably by unblocking his card, as this still resulted in the failure to achieve the minimum spend.
- We failed to ask Amex to retrospectively apply the missed rewards, despite there being a *"clear, unambiguous evidential link between Amex system fault and my inability to meet the spending threshold."*

Because Ms S and Mr O didn't agree with the investigator's opinion, this matter has been passed to me to decide.

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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

Before I address the complaint, I think it's important for me to explain what I'm able to consider. Mr O has said this is a dispute about Amex's security system, and he believes that Amex should provide technical details about how this system validates dates of birth. While these comments are noted, the systems and processes put in place by a financial business are a matter for them, in conjunction with their regulator, the Financial Conduct Authority. We are unable to direct a financial business to change their policies or systems. As such, my decision will not address this.

Turning to what actually happened, Ms S has provided a screenshot of the security questions that were asked for a transaction of £50.33. I'm taking this to relate to the failed transaction of 8 October 2024, as the amounts are the same.

This screenshot shows Mr O was asked three security questions. However, the screenshot includes a pop-up saying the details have been inputted incorrectly, which obscures the second security question in its entirety, as well as obscuring parts of the first and third questions. I've asked Amex for more information on this, but they've said that they are unable to see on their system exactly what security questions any individual customer is being asked for any specific transaction.

Due to the need for protecting customer's data, I don't find this an unreasonable answer, nor do I think it means that Amex are trying to hide something.

Based on what I can see, I'm satisfied that the first security question was asking for the last three digits in the signature panel on the back of the card. I'm also satisfied that the final question asked for the last four characters of the basic cardmember's post code (my emphasis). Given this, the obscured question would most likely be the one asking for the date of birth, which is the subject of the complaint.

As the date of birth question is obscured completely, apart from the letters 'YO', I'm unable to say in what format the question was being asked i.e. was Mr O being specifically asked

for his date of birth, the basic cardmembers' date of birth, or just a date of birth without anything to specify whose date of birth was being asked for.

Based on what's been said, and that Mr O has been able to pass security by providing the basic cardmember's date of birth i.e. Ms S's date of birth, then I'm satisfied that Amex wanted the basic cardmember's date of birth. And the wording of the third security question implies that Amex are asking for the information relating to the basic cardmember, and not the secondary account holder.

As I've not seen anything that shows me that Amex were specifically asking for Mr O's date of birth, and as the third security question implies that it was the basic cardmember's details that were being asked for, I'm unable to conclude that Amex have done anything wrong here. As I've said above, I would be unable to direct Amex to change their system even if I had concluded that they had done something wrong.

When the transactions failed, Mr O's card was blocked. I think this was reasonable for Amex to have done this, as a failed security check may indicate that the card is trying to be used by someone who isn't authorised to use it. And it's also reasonable for Amex to remove this block when Mr O contacted them, verified his identity, and confirmed that he had been the one trying to make the failed transaction.

Turning now to the impact of the failed transactions, and Ms S saying these resulted in her not reaching the minimum spend to be able to receive the additional rewards.

After reviewing the contemporaneous reports and online chat logs, I've seen an online chat between Amex and Ms S. In this, Amex confirmed that *"your spending from 14 August to 14 November [2024] was around £5,060.86 out of £6,000. In order to receive the bonuses, the spending target of £6k should've been met."*

However, in an email dated 13 June 2025, when our investigator queried the amount of spending that was eligible to trigger the additional rewards, Amex confirmed they *"make the total spend to be £4,707.41, there were a lot of refunds, and the annual fee does not count as spend."* So, when accounting for the refunds and the annual fee, Ms S was around £1,300 short of the £6,000 minimum spend.

Based on the evidence I've seen, Mr O was unable to complete four online transactions. These were for £83.18 on 14 September 2024, £65.85 on 18 September 2024, £50.33 on 8 October 2024, and £26.60 on 15 October 2024. This is a total value of £225.96 and, had these transactions gone through, they wouldn't have brought the total spend to the required £6,000.

What's more, I've seen a copy of Amex's terms and conditions. Under the heading *"when can we refuse a transaction"*, Amex explain that *"if we don't allow a transaction or a retailer doesn't accept the card we're not responsible for any loss."* This would include the loss of rewards if minimum spend limits weren't reached due to transactions not being approved.

As such, based on the above, and while I appreciate this will come as a disappointment to Ms S, I won't be holding Amex responsible for her not reaching the minimum spend to achieve the rewards. And I won't be asking them to retrospectively apply these rewards.

My final decision

For the reasons explained, I don't uphold Ms S's complaint about American Express Services Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 10 December 2025.

Andrew Burford
Ombudsman