

## The complaint

Mr S is unhappy that American Express Services Europe Limited (AMEX) won't refund payments he made because of an impersonation scam.

## What happened

On 6 March 2025, Mr S was a victim of an impersonation scam which involved 6 payments from his AMEX card to fund 6 gift cards ranging in value from £200 to £250, totalling £1,400.

Mr S was contacted on email, to who he thought was his employer. He had only recently started work for them and was asked to buy the gift cards. Mr S did this and then sent the gift card numbers over to the person he had been speaking to so they could access the money.

Unfortunately, Mr S was in contact with a scammer and the gift cards he thought he was obtaining for his employer, was in fact in their hands. Mr S said he had suspicions later the same day that he had been scammed so called Amex on 3 occasions to discuss. He said it was a day later that it was confirmed that this was the case, after he went into work and checked the email address of the person that requested the cards. He raised a fraud claim with AEMX and said it should have protected his funds.

AMEX said it didn't think it should hold liability for this scam occurring. It said Mr S did not follow due diligence and followed the scammers instructions without questioning anything like their email address, or what the cards were to be used for. It said it believed it acted appropriately and Mr S holds liability for the losses incurred here.

Unhappy, Mr S brought his concerns to our service to investigate. The investigator said he didn't think AMEX had acted fairly. He said there was a scam that had occurred here. He said for the first 3 payments though, they were not significant in value or appearance to have prompted an intervention from AMEX.

The investigator concluded though that by the 4<sup>th</sup> payment, AMEX ought to have stepped in and contacted Mr S, to ask further questions about what was going on. He drew this conclusion due to the pattern and nature of the payments.

The investigator said AMEX did intervene earlier and did so when Mr S attempted to make a second payment. He said it was clear in the call that opportunities were missed and that if it had asked probing questions about the scam, it would have uncovered what was going on. He said AMEX should have done more.

The investigator concluded that had it asked further questions, Mr S would have been honest about what he had been asked to do, and this was to buy different cards, that he had only worked for his employer for a couple of weeks, was using his own funds and had not met the person asking him to buy them. He said the scam would have unravelled and AMEX would have been able to prevent Mr S from further financial harm.

AMEX was not happy with the investigator's findings and referred Mr S's complaint to me, an ombudsman to look at again and consider. It said there were inconsistencies with Mr S's recollections about when he became aware of the scam. It also queried why nothing was said in a work meeting on the day of the scam, about the gift cards.

### **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 agree with the outcome reached by the investigator. I am partially upholding Mr S's complaint for these reasons:

- The starting position in law is that Mr S is responsible for the payments he made, and AMEX has a duty to make the payments he tells it to.
- But, as supported by the terms of the account, that doesn't preclude AMEX from making fraud checks before making payment. And, considering regulatory expectations and good industry practice at the time these payments were made, I'm satisfied that it should fairly and reasonably do this in some circumstances.

### Should AMEX have done more when it recognised that Mr S was at risk of financial harm from fraud?

- AMEX requested Mr S call before the second payment for £200 be processed. He duly did and a conversation was had between the parties about the payment.
- It is clear to me that AMEX missed opportunities here to intervene and break the spell of the scammer at this early stage, but it didn't.
- Amex ought to have asked open probing questions, about the gift cards, whether he knew or had met the person he was buying them from and what they were going to be used for. I think it had been told enough to have wanted to clarify this with him. It would also have been aware of how impersonation scams worked at this stage, and that from the information it had been told, that it ought to ask more questions, to satisfy itself that Mr S was not being scammed.
- If it had done this, I think it would have been quickly apparent that Mr S was, and the scam would have unraveled. Mr S had not worked for his employer for very long, did not know who the person looked like and was asked to buy the cards with his own money. He was also asked to send the details to this person on WhatsApp. All clear indicators that this was an impersonation scam.

### Would a tailored warning have prevented the losses Mr S suffered?

- Had Mr S been warned by AMEX of the likelihood he was falling victim to an impersonation scam; I'm persuaded he would've stopped what he was asked to do from that point: from the second payment.
- I have gone through some of the conversations that took place between Mr S and the scammers, but I haven't read anything that suggests to me he was being coached, or that he wouldn't have been able to respond openly to tailored questions. I think, on balance, if AMEX had asked more questions and then delivered a tailored warning during the call, then Mr S would more likely than not taken heed of this and

not made the payment or any more going forward.

- Overall, I'm satisfied AMEX should fairly and reasonably have made further enquiries and provided a tailored scam warning before processing the 2nd disputed payment made by Mr S. If it had, it's more likely than not that the scam would have been exposed and Mr S wouldn't have lost money from this point. In these circumstances, I'm satisfied it's fair to hold AMEX responsible for some of Mr S's losses.

#### Should Mr S bear any responsibility for his losses?

- I've gone on to consider whether Mr S should share some blame for his losses. The starting position for this is considering whether his actions fell below what I'd expect of a reasonable person.
- Here, I think Mr S ought to have carried out checks on the person he was talking to, and it doesn't look like he did. He didn't check the contact details or check in with his employer to ask if the request was legitimate.
- It would be highly irregular and unusual for an employer to request a new employee go and buy gift cards with their own money, enough I think for Mr S to want to query the request. He was also not aware what these cards were to be used for.

Taking all of this into account, I've decided to reduce the award I'm making by 50% for Mr S's contributory negligence.

#### **Putting things right**

For the reasons I've explained, I uphold this complaint about AMEX— and I direct it to:

- Refund 50% of the payments made on payments 2-6 totalling £1,200. This I have calculated to be £600.
- Pay simple interest on the refund of 8%\*, calculated from the date of the payment until the date of settlement.

\*If AMEX considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr S how much it's taken off. It should also give Mr S a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

#### **My final decision**

My final decision is that I uphold Mr S's complaint in part and direct American Express Services Europe Limited to put things right, by paying Mr S £600 plus 8% simple interest, as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 December 2025.

Mark Richardson  
**Ombudsman**

