

## **The complaint**

Mr S is unhappy with charges applied to his credit card account by AMERICAN EXPRESS SERVICES EUROPE LIMITED (Amex). He feels they're unfair.

## **What happened**

Mr S holds a credit card account with Amex. The terms of the card account set out that if the balance of the account is cleared in full each month, by the date due, no interest would be charged.

Mr S paid off the balance of his around the end of each month in order to avoid paying interest, as he thought was required. But his payments were made slightly late, so as a result, Mr S was charged interest.

In late 2025 Mr S complained. He said it was unfair that he was charged the full interest for the months in question. He feels he should only be charged interest for the number of days the payments were late, which ranged from 1 – 3 days.

Amex responded. They said that while Mr S had paid the balance in full each month, it wasn't paid by the date due. So, they were satisfied Mr S had been charged interest on his account correctly as set out in his Cardmember agreement. Unhappy with Amex's response, Mr S brought his complaint to our service.

An investigator considered the matter but ultimately didn't think the complaint should be upheld. She said, in summary that she was satisfied that interest had been applied in line with the terms of the account. So, she didn't think Amex needed to do anything further.

But Mr S disagreed. He said that while he accepts his payments were made late, he thought he had been paying on time, and he felt the fair resolution was to only be charged for the days he was late. He also said that he felt the charges applied to his account did not represent fair price and value in line with Consumer Duty outcomes.

So, as the parties remain in dispute, the case 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, and while I accept this may be disappointing for Mr S, I've reached the same conclusions as the investigator, and for broadly the same reasons.

The terms and conditions of Mr S's card account state that interest is charged on purchases from the date of purchase until the date the account is paid in full. It then goes on to state that Amex won't charge interest if a customer pays the full statement balance by the payment due date.

I can see the due dates for Mr S's payments, along with the dates that payments were made for the months Mr S has raised concerns about. I've listed these below.

<b>Statement date</b>	<b>Due date</b>	<b>Date payment received</b>
June 2025	30/06/2025	03/07/2025
July 2025	30/07/2025	31/07/2025
August 2025	30/08/2025	31/08/2025
September 2025	30/09/2025	01/10/2025

In this case, it's not in dispute that Mr S didn't make his payments by the date required - he accepts this. So, given it's not in dispute that the payments weren't made by the due date, as a starting position, I don't think it unreasonable for Mr S to have accrued interest on his account, as this is in line with his account terms.

Mr S has argued that the fair thing to do in the circumstances, is for him to only be charged for the days his payment was late.

While I understand Mr S's argument, it's important to note that the period between Mr S spending on his card, and the date by which he is due to pay what's owed, is not interest free. Rather, Amex, as with most credit card providers, provide a benefit to customers whereby they can forego paying any interest on that balance, if the balance is cleared by the payment due date. If it's not, then Amex are entitled to charge interest in line with the terms of the account.

Those terms set out that interest is charged daily, and for purchases, it accrues from the date the purchase is charged to the account, until the date of payment. In the above instances, the balance wasn't cleared by the due date, and so Mr S was charged in full for the interest that accrued between the date of his purchases and the date of his payments – this is in line with the above terms. So, I'm satisfied Amex treated Mr S fairly here.

Mr S has also argued, in response to the investigator's opinion, that he doesn't feel the charges to his account represent fair value for the consumer under the Consumer Duty rules. But having reviewed the case, I've not seen anything to suggest that under the Consumer Duty outcome of price and value, that Amex aren't complying with the principles set out. And I'm satisfied, given that the charges applied to Mr S's account are broadly in line with Amex's peers in the marketplace - both in terms of the cost, and when those costs are applied – I haven't seen anything to suggest that Amex are not complying with their requirements under Consumer Duty.

I appreciate this may come as a disappointment to Mr S, but for the above reasons, I don't think Amex have treated Mr S unfairly, so I won't be asking them to do anything further here.

### **My final decision**

My final decision is that I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 29 April 2026.

Brad McIlquham  
**Ombudsman**