

## **The complaint**

Mr P complains that American Express Services Europe Limited (AESEL) applied an interest charge of £335.67 to his account. He's also unhappy about the way in which his complaint was handled.

## **What happened**

Mr P holds a British Airways American Express credit card.

On 4 September 2025 AESEL emailed Mr P to advise him that his latest statement was ready to view. The statement was dated 3 September 2025 and showed a balance of £9,881.50 with a minimum payment of £197.63 due by 28 September 2025.

On 23 September 2025 AESEL emailed a Payment Due Reminder to Mr P.

Mr P paid the balance on 30 September 2025. He then discovered that he'd been charged interest

Mr P said he believed that his payment would be collected automatically by direct debit. He later learned that the payment was processed two days after the due date which resulted in the interest charge of £335.67.

Mr P felt that the charge was disproportionate given that the full payment was made before the interest was applied to the account and he'd paid the full balance. He complained to AESEL.

AESEL didn't uphold the complaint. It said the payment had been made late and interest had been charged in line with the terms and conditions of the credit agreement.

Mr P remained unhappy and brought his complaint to this service. As well as being unhappy about the interest charge, Mr P has said that he doesn't feel that his concerns were handled fairly or respectfully by the AESEL customer service representative.

Our investigator didn't uphold the complaint. They said that AESEL hadn't made an error or acted unfairly by charging interest, because Mr P's payment was made after the payment due date. In relation to the aspect of the company relating to customer service, the investigator said they had reviewed the chat but hadn't found anything to suggest that the AESEL representative had treated Mr P unfairly.

Mr P didn't agree so 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 know it will disappoint Mr P, but I agree with the investigator's opinion. I'll explain why.

I've reviewed the history of the account. I can see that Mr P made a payment to the account on 30 September 2025, which repaid the full balance.

I've also reviewed the statement dated 3 September 2025. This states that the payment due date was 28 September 2025.

Mr P initially told this service that he'd made the payment by direct debit and thought that the payment would be immediate. He later accepted that he'd paid by bank transfer, which took two days to process. I don't think it matters how the payment was made. On any analysis, Mr P's payment was made late.

I've reviewed the terms and conditions of the agreement. These state that AESEL can apply interest and charges where payments aren't made by the due date. Mr P accepted these terms and conditions when he took out the card.

Based on what I've seen, I'm unable to say that AESEL has made an error or treated Mr P unfairly by charging interest.

I know that Mr P feels very strongly about this. He's said that he accepts that his payment was made two days late and that he hadn't set up his direct debit at that time. He acknowledges that the terms and conditions allow AESEL to charge interest but doesn't think the charge was fair or proportionate in the circumstances, because the balance was paid in full on 30 September 2025.

I've taken account of everything that Mr P has said. However, AESEL's terms and conditions are the same for all cardholders and it's important – from AESEL's perspective – that the terms and conditions are applied consistently, so that everyone is treated fairly. It wouldn't be fair, for instance, if AESEL gave Mr P preferential treatment and refunded the interest where other customers who had paid late due to delays or genuine errors would not be treated that way.

Ultimately, and as I've said above, the interest was applied in line with the terms and conditions, so I won't be asking AESEL to reduce or remove it.

Mr P has also complained about the service he received when he raised his complaint. He feels that AESEL treated him unfairly and were biased towards him. I've reviewed the chat transcript between Mr P and AESEL where Mr P first queried the interest charge. I can see that the AESEL representative explained to Mr P that interest had been charged because his payment had been made late. The agent also confirmed that no direct debit was in place. Having reviewed the chat transcript, and whilst I acknowledge that Mr P feels unhappy about the way the agent responded to him, I haven't seen anything to suggest that the agent gave incorrect information or treated Mr P unfairly.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 May 2026.

Emma Davy  
**Ombudsman**