

complaint

Mr F complains about the increased fee that he has been charged for his credit card by American Express Services Europe Limited, the late payment fee that has been applied to his account and the adverse information that it has recorded on his credit file.

our initial conclusions

The adjudicator recommended that this complaint should be upheld in part. She concluded that there was no evidence to show that notice of the increased fee was sent to Mr F and therefore considered that the increased fee should not have been applied. American Express has refunded £337.50 to the account leaving it with a balance of the additional fee of £150 plus charges. She recommended that American Express should refund the £150 plus charges, amend the information recorded on Mr F's credit file since June 2010 and pay him £100 compensation. American Express says that Mr F's account coding was amended in July 2012 and that he would have been sent a letter notifying him of the increased fee in accordance with the account terms and conditions at that time. It says that it has serviced Mr F's account appropriately at all times.

my final decision

I have considered all that Mr F and American Express have said and provided in order to decide what is fair and reasonable in this complaint.

American Express has provided evidence to show that it sent Mr F information about changes to his account in July 2012. The charge about which he complains was not applied until spring 2013 and he says that he was then told that he could have a card with a lower fee and that he should cancel his direct debit. American Express says that it did not tell Mr F to do so. I am not persuaded that American Express has produced enough evidence to show that it properly told Mr F about the increased fee. I consider it to be more likely than not that Mr F would have cancelled his card rather than pay the increased fee. I therefore consider that it would be fair and reasonable for American Express to return Mr F to the position in which he would have been had he cancelled his card at that time. To do so, I consider that it should take the actions recommended by the adjudicator.

For these reasons, my decision is that I uphold Mr F's complaint as set out on the next page.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F either to accept or reject my decision before 1 May 2014.

Jarrold Hastings

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

In settlement of Mr F's complaint, I order American Express Services Europe Limited to:

1. Refund £150 to Mr F.
2. Refund any late payment fee and associated charge that are outstanding on Mr F's account.
3. Remove the adverse information that it has recorded on Mr F's credit file since June 2013.
4. Pay £100 to Mr F to compensate him for the distress and inconvenience that he has been caused.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.