

The complaint

Miss S is unhappy about the way in which American Express Services Europe Limited (AESEL) handled things when she reported unauthorised transactions on her account.

What happened

On 17 January 20342 Miss S contacted AESEL via online chat and reported three transactions on her account as unauthorised. These comprised:

7 December 2023 £39.99 Amazon

15 December 2023 £39.99 Amazon

2 January 2024 £39.99 Amazon

AESEL's online chat Customer Care Professional (CCP) advised Miss S to contact the 24/7 fraud team for assistance. Miss S said she couldn't call the fraud team at that moment and asked the CCP to cancel the cards and issue new ones for both her and the supplementary cardholder. The CCP said it could block Miss S's card as a precautionary measure and advised Miss S that a new card could only be issued by the fraud department once its investigation had been completed.

Miss S complained to AESEL. She was unhappy that she'd been directed to phone the fraud team to report the unauthorised transactions. She said she felt it was sufficient that she'd reported the transactions in writing via webchat. Miss S also expressed dissatisfaction that she hadn't been issued with a refund by the end of the business day following her report of the unauthorised transactions.

AESEL didn't uphold the complaint. It said the information provided by the CCP was accurate and that Miss S's request for her card to be cancelled was promptly addressed. AESEL said it hadn't made any errors.

Miss S remained unhappy and brought her complaint to this service. She's unhappy about AESEL's process for reporting unauthorised transactions and says she shouldn't have been required to report the transactions by phone. Miss S said she wanted compensation for the poor service and confusion surrounding the reporting of unauthorised transactions.

Our investigator didn't uphold the complaint. He said he'd reviewed the chat transcript and he thought AESEL had clearly explained how Miss S should report the unauthorised transactions and the process for obtaining a replacement card.

Miss S didn't agree. She said that AESEL's failure to immediately raise a dispute when she reported the transactions via chat led to further unauthorised transactions taking place, which, even though now refunded, had added to her distress.

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've reviewed the chat transcript dated 7 January 2024. Miss S reported the unauthorised transactions and the CCP advised her to contact the fraud support team immediately and provided her with the telephone number to call them on. Miss S acknowledged the information and asked whether it was possible to report the unauthorised transactions via chat. The CCP advised Miss S that the fraud team was only contactable by telephone. Miss S said she couldn't call at the moment and asked the CCP to cancel the cards. The CCP confirmed that the card had been blocked and advised Miss S that a new card could only be issued by the fraud department.

I appreciate that Miss S feels that she should've been able to report the unauthorised transactions via chat, rather than telephone the fraud team. She's also said that she found the information surrounding the reporting of unauthorised transactions confusing.

Looking at the chat transcript I think the advice given to Miss S was very clear. AESEL's process for reporting unauthorised transactions is by telephone to the fraud team. This was explained to Miss S and the correct number for the fraud team was provided to her, together with an assurance that she could call them at any time as they operated 24/7. Based on what I've seen, I'm unable to say that AESEL made an errors here. I appreciate that Miss S may not agree with AESEL's policy for reporting fraud, however, this service isn't able to tell a business to change its policies.

Miss S has said that further unauthorised transactions took place because AESEL failed to raise a dispute when she reported the transactions via chat. I haven't been provided with details with what these transactions were. Miss S has confirmed that they have, in any event, been refunded now. I appreciate that this would've caused Miss S distress, however, it isn't clear why Miss S didn't telephone the fraud team as requested.

I can see that Miss S also asked for a replacement card via live chat. The CCP advised Miss S that this couldn't be arranged via chat and that she would need to speak to the fraud team before a new card could be issued, or she could do this via the app. As a precaution the CCP blocked Miss S's card, which I think was reasonable.

Miss S has told this service that she requested a replacement card via the app, so it seems that the information provided by the CCP was clear. Again, I'm unable to say that AESEL has made any errors here.

I understand how distressing it must've been for Miss S to discover that there had been fraudulent activity on her account. However, looking at what happened, I think AESEL responded clearly and promptly. I won't be asking them to do anything further.

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 Miss S to accept or reject my decision before 6 August 2024.

Emma Davy
Ombudsman