

## **The complaint**

Mr H is being represented by his wife. He's complaining about American Express Services Europe Limited (AESEL) because it applied interest to his credit card account that he wasn't aware of.

## **What happened**

Mr H had a credit card with AESEL. His wife was a secondary cardholder on his account. She dealt with making payments on the account and says they always paid off the balance in full each month before this issue arose.

In 2022, AESEL stopped issuing paper statements and sent an email to Mr M each month instead. But when making payments each month, Mrs H referred to the app she'd downloaded to her phone to ascertain what purchases had been made and how much she needed to pay to clear the balance. Unfortunately, and unknown to Mrs H, the app only showed her purchases as she was the secondary cardholder. This meant Mr H's purchases weren't being repaid and interest was accruing. They say only realised this was happening in August 2023.

AESEL didn't uphold Mr H's complaint, saying interest has been applied to any outstanding balance each month in line with the account terms. It says it sent Mr H a statement every month by email and noted that he did interact online, including using the live chat facility to query an unrecognised transaction earlier in 2023.

Our investigator didn't recommend the complaint be upheld. She was satisfied AESEL had taken appropriate steps to send statements to Mr H and applied interest in line with the account terms.

Mr H didn't accept the investigator's assessment. Mrs H said they believed they were paying off the full balance each month. She also suggested a compromise whereby AESEL would refund part of the accrued interest.

AESEL rejected Mrs H's proposal and the complaint has now been referred to me for review.

## **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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. This is in keeping with our established purpose to act as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

Mr H was the sole account holder and I don't think it was necessarily unreasonable that AESEL only shared full account details with him. It's provided details of the emails it sent each month and these included links to view a statement, make a repayment and review transactions. He had an active online account and, by sending these emails, I'm satisfied AESEL did what it needed to do to make Mr H - the account holder – aware of what was happening with the account. There's no suggestion AESEL was told or was otherwise aware that Mr H didn't review this information because Mrs H dealt with the account. If he'd requested AESEL share account information in a different way, including with his wife, I've no reason to believe it wouldn't have done that.

It was ultimately Mr H's responsibility to make payments and, under the account terms, AESEL was entitled to apply interest if the balance wasn't repaid in full. So I don't find that it made an error on this occasion.

I understand the reasons behind Mrs H's proposal to resolve the complaint, but I don't agree AESEL should waive interest accrued after August 2023 when she and Mr H were aware of what had happened. I understand they paid the balance in full recently but it was ultimately their choice not to do so sooner while they tried to resolve the matter with AESEL, rather than paying what was owed when they noticed the issue and trying to recover the interest accrued up to that point separately.

This is clearly an unfortunate situation, but I've not seen anything to indicate AESEL has done anything wrong and it's for this reason that I'm not upholding this complaint. I realise this outcome will be disappointing for Mr and Mrs H, but I'm satisfied it's fair and reasonable in the circumstances.

### **My final decision**

For the reasons I've explained, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 30 September 2024.

James Biles  
**Ombudsman**