

03 January 2024

Dear Sir/Madam,

**Re: Basis of Complaint and Desired Remedy (Amex Complaint Ref: <redacted>)**

Although some details have been provided via your online complaints form, I suspect that this complaint may be a *little* unusual in nature and so felt it important to provide additional information about the motivation for my complaint along with my desired remedies.

I appreciate that your time is valuable, so I have tried to keep this letter concise – please do feel free to contact me if you require any additional information.

**Background**

My complaint to *American Express* arose as a result of their (mis)handling of a charge dispute that I filed after the contents of a high-value *Amazon* delivery were stolen from somewhere within *Amazon's* fulfilment chain.

The consignment that arrived from *Amazon* (on 02 Nov 23) **should** have contained an *Xbox Series X* (a Christmas present for a family member), but instead contained low value items clearly intended to make up the weight.

As might be expected, I initially raised the issue with *Amazon* (if needed, you can find more information about this at <https://www.bentasker.co.uk/posts/blog/opinion/amazon-parcel-contents-get-stolen-and-then-amazon-tries-to-keep-payment.html>).

After it became clear that *Amazon's* refund timeline would leave me at a financial disadvantage over the Christmas period, I decided to use the protection offered to me by s.75 of the Consumer Credit Act and instead dispute the charge via the *American Express* website.

After working through the *American Express* dispute flow, I attached evidence including

- Screenshots of chats with *Amazon's* customer service, showing that *Amazon* accepted there was an issue with the delivery
- Return information emails from *Amazon* (they'd required I return what we received)
- *Royal Mail* tracking information showing *Amazon* had received the returned consignment

The dispute was raised on 21 Nov 23 and *American Express* allocated reference <redacted>.

On 06 Dec 23 I received a letter (dated 01 Dec 23) stating that *American Express* were closing the dispute **in *Amazon's* favour**.

For your reference, A copy of that letter has been uploaded as file *20231206\_00\_Amex\_Letter.pdf*

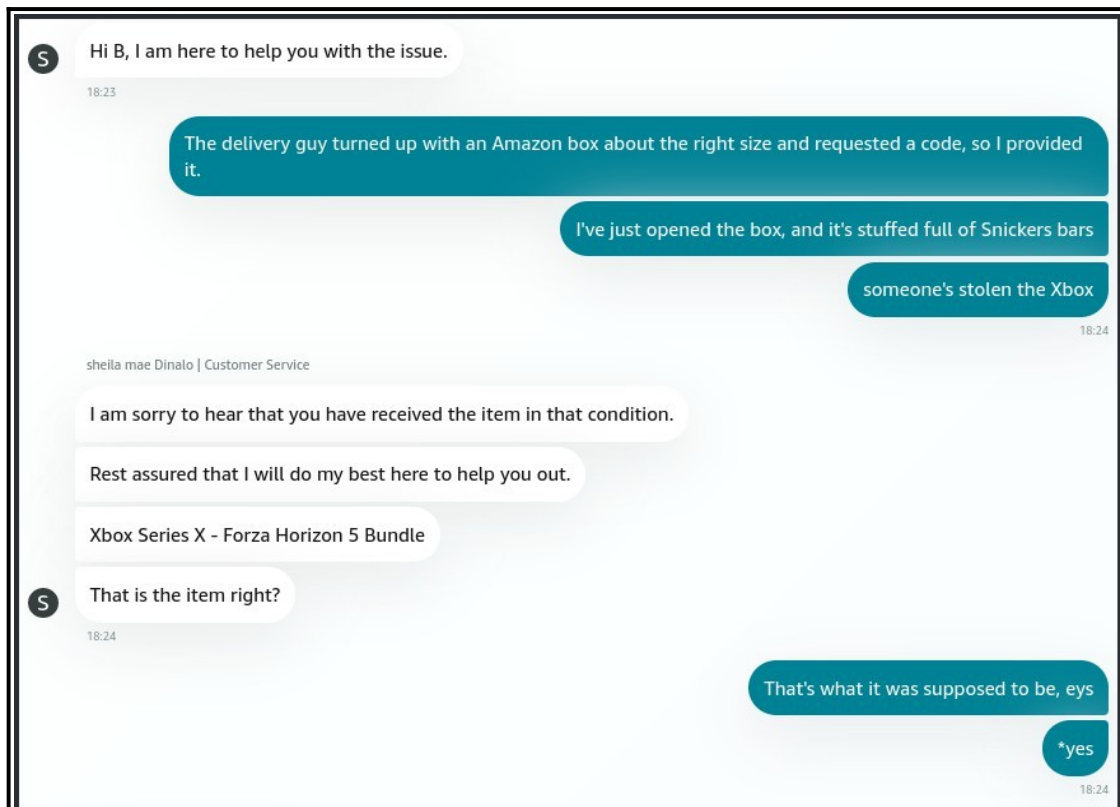
## Basis of Complaint

Reading the letter from *American Express* made it immediately clear that they had either not read or not understood the evidence that had been attached to the dispute. The effect, to my detriment, being that the dispute had been improperly investigated – potentially leaving me liable to pay for an expensive item that I hadn't received.

The letter (and its attachments), showed that *American Express* had asked *Amazon* for proof of delivery. *Amazon* had provided tracking information **for the consignment** and noted that we'd successfully received deliveries at this address in the past:

Please find tracking information and complete order details for this transaction below.-> The merchandise was delivered to the verified address of the cardholder. The cardholder's billing information matches the ship to information provided at the time the order was placed. Please review this information with your customer as this order appears to have been placed by someone with authorized access to the account.-> The customer has successfully used this shipping address for 83 number of orders that were previously processed and weren't disputed. Please have the customer carefully review the order details.

Had the *American Express* team even glanced at the provided customer service chat screenshots, it would have been immediately apparent that there was no dispute that a consignment had arrived, and that the issue was that the contents were incorrect:



On receipt of the letter, I immediately called *American Express* and insisted that the dispute be reopened. I was asked to also upload a copy of communications with *Amazon's* chargeback department that had occurred after they received a chargeback notification.

At this juncture, I was (understandably) quite stressed and more than a little annoyed.

In order to try and be certain that *American Express* understood the situation, as well as uploading the requested mail thread, I attached a letter with the filename *Attention\_amex.pdf* :

Dear Amex,

2023-12-06

Today I received a letter with reference number [REDACTED] noting that the dispute has been closed because

> The merchant has provided proof of delivery

This suggests that Amex has not read the supporting evidence, nor discussed this properly with Amex.

The item in question WAS NOT IN THE DELIVERED BOX. There is no suggestion that it was delivered to an incorrect box, someone with Amazon's supply chain has clearly stolen the item.

Amazon accepted this (see previously provided customer service chats) and issued a QR code for return of the items.

It is clear, from the notes that Amex provided that Amazon have not seen fit to pass on the discussion they had with me when they were notified of the Amex dispute. For your reference, I have attached a copy of the email to this dispute.

Please investigate this dispute \*properly\*. Under s75 of the Consumer Credit Act my agreement is with you, if you are unable to resolve this, please clearly state that this is the case as my next step will be to initiate legal action.

On 12 Dec 23 (after the involvement of a journalist), I was contacted by *Amazon* to resolve the issue from their end and issue an immediate refund.

I contacted *American Express* to let them know and close the dispute, but, concerned about the initial mishandling also asked them to open a complaint.

Unfortunately, my concerns were further compounded when *American Express* responded to that complaint in a manner that indicated that they **still** hadn't read or understood the dispute:

My investigation findings indicate that we requested that the merchant provide us with the documentation proving the merchandise was delivered correctly after you lodged a complaint with us.

We also looked over the email exchange you had with Amazon, and we couldn't find any mention of a deadline for processing the refund.

Even if an argument could somehow be made that the chat screenshots weren't clear, the file *attention\_amex.pdf* is (in my opinion) **absolutely unequivocal** about the basis of the dispute – it seems inexplicable that *American Express* could opt not to uphold the complaint when there has so clearly been some kind of systemic failing in their initial investigation.

The protections extended to consumers by Section 75 of the *Consumer Credit Act* are of fairly limited practical value if a credit provider is unable to handle and process disputes in an effective (and fair) manner.

It seems impossible that the application of processes demonstrated by *American Express* in my case would be able to cope with a retailer who is either mistaken or not operating in good faith (something which, presumably, *must* form the basis of some disputes).

I hope that you'll agree that a dispute as simple as mine really should be something that a provider is able to handle in-house rather than needing to progress to the Ombudsman or to the Courts. Although either would ultimately resolve such a complaint, consumers are exposed to harm (in the form of time, stress and other financial pressures) when they have to navigate that system unnecessarily.

### **Desired Remedy**

Although the response from *American Express* undoubtedly caused me a heightened and undue level of stress over the holiday period, my complaint was raised primarily out of concern for others: It seemed clear that *American Express* has implemented processes that are inadequate, raising the possibility that consumers might be exposed to harm as a result of similar case mismanagement.

Unfortunately, this isn't entirely idle speculation: After I published the blog post linked to earlier in this letter, I was contacted by a number of people who had been affected by similar issues with Amazon – many of them are in a financial position *much* less fortunate than myself and more than a few were quite distraught that Christmas had been ruined for their family.

That, unfortunately, means that charge disputes similar to mine are not nearly as rare as I'm sure we'd all like them to be.

With that in mind, my preferred remedy is quite simple: I would like *American Express* to be directed to review **and fix** their processes and systems (in *Annex A* I provided examples of some failings, though I'm sure that there will be others).

My intent here is that *American Express* should be able to guarantee that customer disputes (and any subsequent complaints) are investigated thoroughly and properly so that customers are *treated fairly*.

If such a remedy is not within the Ombudsman's remit, I would like to instead request that a sum of around £250 be awarded in recognition of the emotional impact that the actions of *American Express* have had on me over the festive period. It's my intent that the bulk of any such award will be donated to a food bank (or similar charity) of my choice.

Yours sincerely

Ben Tasker  
(Sent electronically)

# Annex A – American Express Dispute Process Issues

As I will demonstrate, the charge dispute process provided by *American Express* has been oversimplified and does not allow customers to provide supporting context in a manner that ensures that *American Express* will look at it (even if there **should** be a reasonable expectation of them reading the evidence that their customers provide).

The process for opening a charge dispute is as follows

- Log into <https://www.americanexpress.com/en-gb/>
- Locate the charge in question and click it
- Click “*Dispute this Charge*”
- Click “*Continue Dispute*”, then “*Continue*”

The customer is then prompted to select a reason for the dispute from a multiple choice selection:

Please let us know the reason for your dispute:

- I don't recognise this charge.
- I don't agree with the charge amount, or I have been billed more than expected.
- I've been charged more than once for the same purchase.
- I've cancelled or returned this purchase.
- I haven't received my goods or services, or the business cancelled my goods or service.
- I received my goods or services but they were not as described.
- I purchased this using a different payment method.
- I'd like documentation for my records.
- I don't recognise charges from several businesses.
- I want to cancel a recurring billing charge, or I cancelled a monthly or recurring billing charge but I'm still being billed after the cancellation date.
- The reason for my dispute isn't listed here.

Save for Later

Continue

The obvious candidate, in my case, was “*I haven't received my goods or services, or the business cancelled my goods or service*”.

Clicking Continue leads to another multiple choice selection

Which of the below applies to your dispute?

- I haven't received my order/service
- I have only received part of my order/service
- The Merchant has advised me I will not receive my order/service

Save for Later

Go Back

Continue

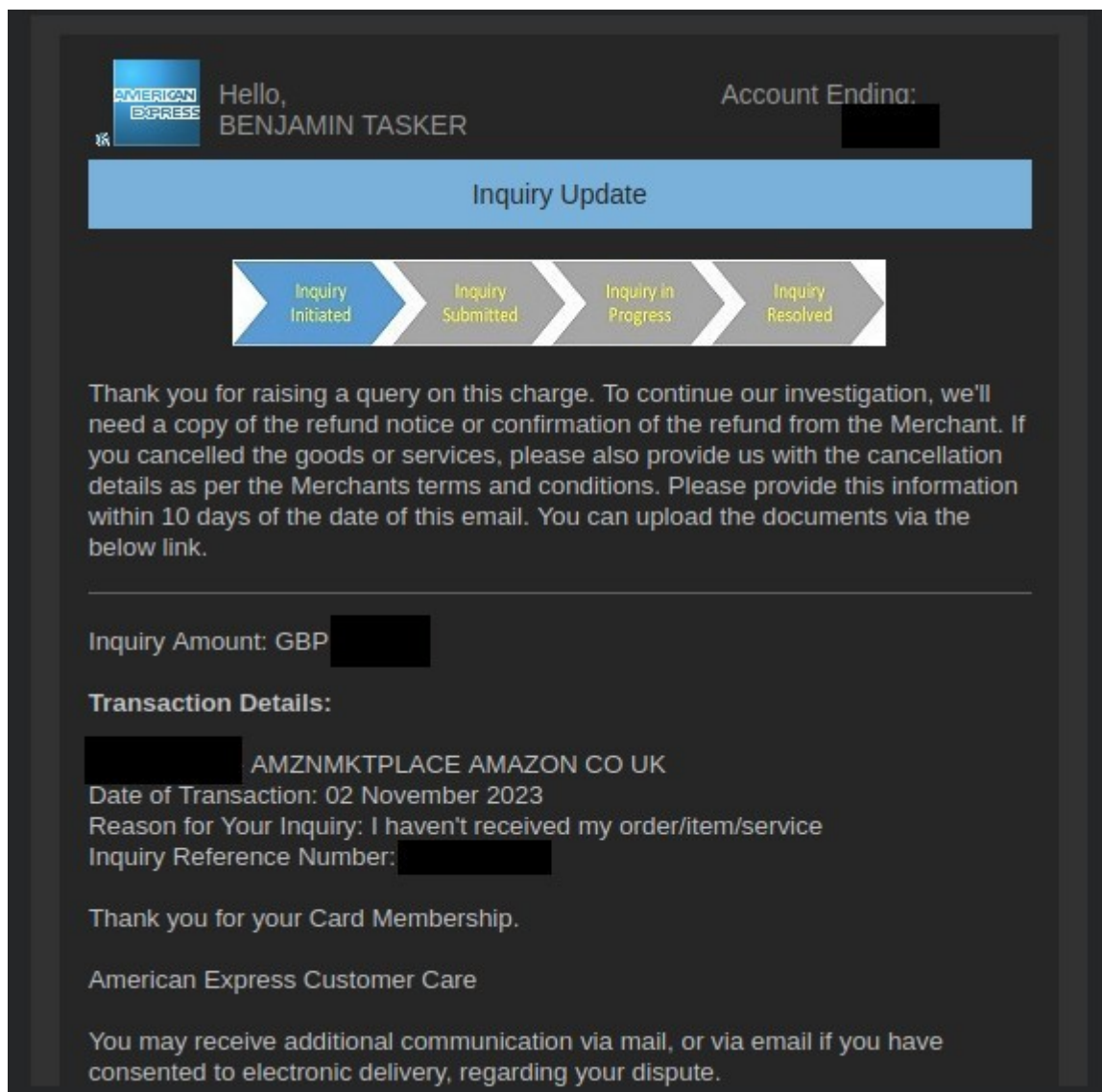
I selected “*I haven’t received my order/service*”: the Xbox was listed with a separate order number in Amazon’s portal so it seemed most appropriate.

The customer is then

- prompted for the expected delivery date
- asked whether the order has been held or seized by customs
- asked whether a deliver date was scheduled and whether the customer cancelled the order
- asked for a brief description of what was ordered (this is a single line text box)
- asked whether the dispute relates to Covid-19

The customer is then presented with a button to submit the dispute. Note that this **does not** display the details they’ve entered – there is no opportunity to review what has been provided.

After the dispute is submitted, an email is sent asking the customer to upload additional documentation:



At no point during the dispute opening process, is the customer provided with the means to provide any additional detail of the circumstances leading to the dispute.

This leaves customers entirely reliant on whether the *American Express* team read **and understand** any uploaded evidence.

The result is that, for any but the simplest disputes, it's almost inevitable that the *American Express* investigations team will ask retailers the **wrong questions**, because they're operating with a partial (or incorrect) understanding of the situation.

This communication shortcoming appears to be replicated throughout the *American Express* charge-dispute system: When originally closing the dispute, *American Express* did not provide any indication of there being a way to contest their decision, or even to feed back additional information, leaving the consumer potentially unaware of their rights and feeling stuck with an improper decision.

## Suggested Actions

In order to ensure that customers are treated fairly, I would suggest that – at minimum - *American Express* should

- Adjust the charge-dispute opening flow to include an “any additional information” textbox, allowing customers to provide additional context
- Update internal processes to ensure this new field and attached evidence are always properly reviewed before contacting the retailer
- Adjust the charge-dispute opening flow to display the dispute before submission (so that the customer can review their entry)
- Clearly note a right to route of appeal/complain when a dispute is closed in the retailers favour
- Ensure that customers are given a clearly stated right of reply **before** closing a dispute (the customer may simply select a wrong option when opening the dispute)

I'd also suggest that *American Express* need to review how often (and why) investigators have been contacting retailers without first having reviewed the supplied evidence (I suspect the answer is probably that the department is no longer properly resourced for the workload they have to deal with, and so corners are being cut).