

## **The complaint**

Mr K complains that American Express Services Europe Limited (AESEL) unreasonably closed his credit card account. He believes they've discriminated against him. He would like the account reinstated.

## **What happened**

Mr K had an account with Amex, which he made regular use of. He made regular payments to the account and kept within the agree limit.

But in February 2023 he found he couldn't use the card. He rang up Amex to find out what was going on, only to be told his account was under review, and while it was, he wouldn't be able to use the account.

Amex asked Mr K some further information about his income. He sent in statements, but they weren't satisfied with the information provided. Amex decided to close the account, and asked Mr K to repay the outstanding balance. They didn't provide an explanation for the closure. When Mr K spoke to Amex again, he was told he could reapply, but this turned out to not be the case.

Unhappy with this Mr K complained to Amex. But the bank didn't think they'd done anything wrong. Mr K then referred his complaint to our service. He said Amex had discriminated against him. He said they didn't consider his evidence before closing his account, and he had been left depressed and anxious by this.

Our investigator thought that Amex had closed Mr K's accounts in line with their terms. They said they were satisfied there were reasonable grounds to close the account. They appreciated that Mr K felt that he was discriminated against but thought Amex had followed an established process and hadn't been unfair or unreasonable.

Mr K disagreed, saying he'd requested call recordings from Amex which hadn't been provided. As no agreement could be reached the complaint has been passed to me to decide. As part of my investigation, I asked further information from both parties on the outstanding debt on the account and how this is being reported. This has now been provided.

## **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.

Firstly, the investigator was right to highlight that Amex, like all regulated financial firms in the UK, have strict legal and regulatory obligations to meet when providing accounts to their consumers. Broadly, these obligations say they should monitor account activity for signs that someone is falling victim to financial harm, and to help detect and prevent financial crime. This can mean that they will need to conduct reviews in to how a consumer is using an account. And it can also mean that they need to prevent any further transactions on an

account while they carry out a review. There is provision for this in the terms of Mr K's credit card account. So, I can't say they were unreasonable in how they carried this out.

Amex aren't under any obligation to explain the nature of their review, or to tell Mr K precisely what triggered this. The terms say they "may" provide the reasons for an account suspension, but they've declined to do so here. So, that's not unreasonable. They asked him about his income, and he provided bank statements. Mr K has told us that he doesn't think Amex considered the evidence he provided. But I'm satisfied they reviewed the information he provided and gave it the appropriate weight.

Ultimately Amex decided they didn't wish provide credit to Mr K anymore, and said they'd be closing his account. The terms say Amex must provide at least two months' notice before they do, except in limited circumstances. I'm persuaded that Amex have demonstrated that the circumstances for an immediate closure have been met.

But I'm mindful that as this was a credit card account, it's generally Amex's prerogative whether they wish to lend Mr K any more money – this is a commercial decision for them to make, and the terms allow them to do this. So, even if they had given two months' notice, it doesn't follow that Mr K would have had two more months' use of the account. I don't think whether notice was given or not makes any material difference to the outcome.

Again, there's no obligation on Amex to explain to Mr K why they've decided to close his account. They have explained their reasons to our service, and our rules allow us to treat certain evidence as confidential – for example if it's commercially sensitive. So, I'm not going to detail them here. But I'm satisfied that the reasons for closing his account were reasonable, and not irrational.

In the calls between Mr K and Amex, I can appreciate his frustration about not being given information he'd like. But in this case Amex have decided to not discuss this further with him. In the circumstances that is reasonable.

I've considered what Mr K has said about feeling discriminated against very carefully. The relevant legislation that deals with discrimination is the Equalities Act 2010 – although this act makes it clear that findings on whether the act has been breached are reserved for the courts. But I have considered whether Amex have treated him unfairly when deciding to review and subsequently close his account. Nothing I've seen suggests he was, of that Amex have behaved improperly. But in the absence of any further information from Amex, I can see why he may feel this way.

I note in a call between Mr K and Amex, he is told he could reapply for an account, which wasn't correct. Amex could have done better at setting his expectations there, and I can appreciate why he could be left confused by this. But I also can see Amex corrected this expectation quickly.

I can see the last payment made towards the account was in March 2023, and Amex have halted interest charges from November 2023. Ultimately Mr K isn't disputing this is a debt that's duly owed by him, so I don't see it's unreasonable for Amex to charge interest on this, as per the contractual terms. Amex have also confirmed that they have been recording the account as current on his credit file and stopped any further collections activity while this complaint is ongoing. I consider this to be more than fair, so I wouldn't ask them to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 29 March 2024.

Thom Bennett  
**Ombudsman**