

## **The complaint**

Mrs H complains that American Express Services Europe Limited (“AESEL”) unfairly suspended her credit card while it was under review.

Mrs H had been assisted in bringing her complaint by her husband, Mr H, but for ease of reference I shall refer to things raised as though Mrs H herself has said them.

## **What happened**

Mrs H held a credit card with AESEL. In December 2023, while abroad on holiday, Mrs H received an email from AESEL informing her that her credit card account was under review and that while it was, the account had been suspended. Mrs H said that a short time later her husband who also held a credit card with AESEL received a similar email about his own credit card account.

Mrs H said that she was concerned she didn’t have access to her credit card account because she was away, and various bookings had been made using the credit cards. She said efforts were made to contact AESEL, but because of the timing, being around the New Year and the time difference, this proved difficult. However, Mrs H was later able to provide the information requested by AESEL to allow the review of the account to be undertaken. The suspension on the credit card account was lifted after around three days.

Mrs H complained to AESEL about its decision to suspend her credit card account. She said it would have been fair for AESEL to have provided a warning that the account would be suspended. She was also concerned that her husband’s credit card account was suspended at the same time for review. Mrs H said the review could have been conducted without the account being suspended.

AESEL reviewed what had happened. It apologised that the timing of the review had caused Mrs H inconvenience. AESEL also paid Mrs H £25 compensation because there had been confusion over the account it was reviewing as it had wrongly given the number for a closed account in an email sent to her.

However, in respect of the suspension of Mrs H’s credit card account, AESEL said that the review was initiated in accordance with the card’s terms and conditions, and it hadn’t made any errors in following this process. AESEL also said that it had been coincidental that Mr H’s credit card account had also been reviewed. It said it wasn’t upholding those elements of Mrs H’s complaint.

Mrs H was unhappy at AESEL’s response and complained to this service. She said although she accepted that AESEL must carry out reviews it was unequitable for AESEL to have suspended her account before asking for the information from her.

Our investigator didn’t recommend that Mrs H’s complaint should be upheld. She said that although the time of year AESEL carried out the review resulted in inconvenience for Mrs H she didn’t think AESEL had intended to make the process more difficult for her. She said she didn’t think AESEL would have known Mrs H was away and even if it had, this wouldn’t have

been a sufficient reason not to suspend the account due to its obligations as a bank and credit provider.

Our investigator said under the terms and conditions of the card AESEL, was able to suspend an account and that it was able to do so without giving notice until the information was supplied. This was to protect the account and its interests. She said that she was satisfied that once this information was supplied there hadn't been any delay in removing the suspension.

Our investigator said a business can suspend accounts when they deem it necessary to keep up with their regulatory obligations. And she wouldn't be able to disclose the reasons why Mrs H's account had been suspended because this was legally confidential and business sensitive.

Mrs H disagreed with our investigator's view. She said the terms and conditions set out a number of reasons why an account can be suspended and that these didn't include an account review. She said the review should have been conducted without the account being suspended. Mrs H also didn't accept the review of Mr H's credit account was only coincidental.

As the parties were unable to reach an agreement the complaint has been passed to me.

### **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.

Under the card's terms and conditions it says '*We may suspend your account or any feature on your account (including a supplementary card) if:*

- *You tell us to close your account or we tell you we are closing your account;*
- *We consider it necessary for the security of the account*
- *You or a supplementary cardmember are in breach of the agreement;*
- *We suspect unauthorized, improper and/or fraudulent use of your account;*
- *We reasonably consider that by allowing use of the account or feature we might:-*
  - *breach a law, regulation, code or other obligation; or*
  - *face action from a government, law enforcement agency or regulator.*
- *We reasonably think there's a significantly increased risk that you won't be able to repay us (for example in the case of your account being subject to a financial relief rate and/or being in Financial Relief Programme); and*
- *You've repaid more in interest and charges than the amount you've borrowed on your card for a sustained period.*

Mrs H says that none of these scenarios applies to her card account and that AESEL can't act outside of these categories when suspending an account. However, she does agree that AESEL is able to carry out reviews.

AESEL says that it did comply with the terms and conditions of the card, as here the review was triggered by its automated process. This meant an anomaly was noted and although

AESEL accepts suspension will cause disruption it says this was reasonable for the security of the account while the review was carried out. It also says giving notice that an account is to be suspended isn't best practice and could potentially cause problems for a consumer such as encouraging unaffordable spending. AESEL says it didn't act unfairly here.

I appreciate Mrs H wanted to have an explanation as to why the review was triggered but this isn't something AESEL nor I can answer. I don't think that's because AESEL is being unreasonable here. Reasons for reviews are business sensitive and legally confidential so I can't insist AESEL provides her with a full response. However, as the account was flagged up by the automated process then I'm satisfied the decision to review wasn't unfair. And that this review would permit AESEL to suspend the card account pending that review.

As reviews are conducted for a number of reasons, then I think AESEL is entitled to rely on the security of the account as grounds for suspending the account. So, I think the account's suspension is in line with the card's terms and conditions

I appreciate that the timing of the review was awkward due to it being close to New Year meaning there was a Bank Holiday and contact with the review team would be delayed because of that. But, as set out by our investigator, AESEL wouldn't have known Mrs H was away and even if it had, with the review being triggered, this wouldn't have been a sufficient reason not to act as it did. So, although this caused Mrs H distress and inconvenience, I can't reasonably say AESEL acted unfairly by suspending the card account while it did the review.

I've seen that AESEL requested information and some documentation from Mrs H which she provided. It conducted its review within a couple of days, so I don't think there were any unreasonable delays in conducting the review.

Mrs H was also unhappy that her husband's credit card was subject to a review in the same time period as her account. She queries whether this was coincidental. I haven't seen anything that would show AESEL was misleading about that.

For the reasons set out above, I'm not upholding Mrs H's complaint. I appreciate this decision will be of disappointment for her, particularly as she had wanted to know the reason for the review, though as explained that can't be provided. However, looking at the circumstances I think AESEL has acted fairly and within the terms and conditions of the credit card account.

### **My final decision**

For the reasons set out above, I'm not upholding Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 27 August 2024.

Jocelyn Griffith  
**Ombudsman**