

The complaint

Mr H is complaining about American Express Services Europe Limited (Amex) because he says it closed his credit card account without making it clear it was going to do so.

What happened

Mr H had a credit card account with Amex and regular account statements were issued online. In January 2024, Amex included the following information in his statement:

Notice of Termination

*We have noticed that you haven't used your American Express Card in the last 12 months. To protect you from possible fraudulent activity on your Account, we will be ending your Card Agreement and cancelling your Card two months from the date of this statement (the '**Termination Date**').*

- *We value your Cardmembership and don't want to see you go. If you would like **to keep your Account open**, simply make a purchase with your Card within the next 50 days from the date on this statement, and we will withdraw this notice.*
- *If you are happy for us **to end your Card agreement**, you don't need to do anything. We'll do this automatically and send you a confirmation letter.*

The next statement in February 2024 included the following information:

Reminder of Termination

As notified to you in your last statement, we have noticed that you haven't used your American Express Card in the last 12 months. To protect you from possible fraudulent activity on your Account, we will be ending your Card Agreement and cancelling your Card one month from the date of this statement.

*As a reminder – if you would like **to keep your Account open**, simply make a purchase with your Card within the next 20 days from the date on this statement. If you are happy for us **to end your Card agreement**, you don't need to do anything. We'll do this automatically and send you a confirmation letter.*

When the notice period expired and no purchase had been made, Mr H's card was cancelled and his account closed.

My provisional decision

After the complaint was referred to me, I issued my provisional decision setting out why I didn't think it should be upheld. My reasons were as follows:

Under the heading, "Ending your agreement", the account terms and conditions said:

This agreement is open ended and has no fixed duration. You and we can end it without giving any reason. You can do this at any time by calling us or writing to us (our contact details are at the beginning of this agreement) to tell us to close your account and by paying off all the amounts you owe.

We can do this by giving you at least two months' written notice . . .

I'm satisfied the terms and conditions allowed Amex to close the account for a wide variety of reasons, provided appropriate notice was given, which it was in this case. The terms and conditions don't specifically refer to closing the account if the card isn't used for an extended period, but I'm satisfied this was a sensible fraud prevention measure that's common practice within the industry.

So, the issue on which the outcome of this complaint turns is whether Amex took appropriate steps to make Mr H aware it was planning to close his account. It's my current view that it did.

I've set out the wording of the notice and reminder of termination above and I believe this was clear about what Amex intended to do and how the account closure could be avoided. This information was communicated via account statements, which are intended to be a means of communicating relevant information to customers and giving them an opportunity to review it. I think that was a legitimate way for Amex to communicate its message on this occasion. And by making the statements available online and sending notification emails, which Mr H doesn't dispute he received, I'm also satisfied it took appropriate steps to make him aware of their existence.

The reason Mr H didn't realise Amex was intending to close the account was because he didn't check his statements. Even if a card isn't being used, checking statements is normally a good idea if only to ensure it hasn't been misused and/or that unexpected charges haven't been applied. I understand the reasons Mr H says he didn't check account statements, but I believe it was reasonable for Amex to think he would be doing so and would therefore be aware of the impending account closure.

It's for these reasons that I'm not currently proposing to uphold Mr H's complaint or award any compensation. It's clearly unfortunate he's lost access to an account he may have intended to use again in the future, but I don't believe this outcome can reasonably be attributed to any failing on Amex's part.

The responses to my provisional decision

Amex didn't make any further submission. Mr H didn't accept my provisional decision. He maintains that Amex didn't take adequate steps to make him aware of the impending account closure and made the following key points:

- The termination notice is only displayed if a statement is viewed in PDF format. When he does view statements, he typically does so using Excel when the notice isn't displayed.

While he didn't review the actual statements, he did check the account monthly using the app and saw the account balance was zero. This is consistent with how he runs another card account, where he reviews transactions on the app and doesn't download the official statement. The termination notice wasn't included within the app.

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, my findings haven't changed from those I set out previously. I haven't necessarily commented on every single point raised. I've concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role 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.

It's clearly unfortunate Mr H didn't see the notice of termination and I understand why he feels more could have been done to bring this to his attention. But I'm satisfied the notice and reminder were clear and that including these in account statements was a legitimate means for Amex to communicate its message. Statements are intended as a means of communicating information about an account and I think Amex was reasonably entitled to expect Mr H would read them.

I note Mr H's comments about the warning not being shown if a statement is downloaded using Excel format but, in terms of this complaint, that would only be a relevant consideration if he'd actually downloaded the statement in this format.

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 H to accept or reject my decision before 7 February 2025.

James Biles
Ombudsman