

## **The complaint**

Mr L complains that American Express Services Europe Limited (AMEX) trading as American Express failed to close his credit card which led to multiple unauthorised transactions being debited from his account which affected his credit rating. He would also like AMEX to return a credit balance in a dormant account.

The details of this complaint are well known to both parties. So, if there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether AMEX was responsible for Mr L's losses here.

## **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 agree with the conclusions reached by our Investigator, and for largely the same reasons.

AMEX has now agreed with the Investigator's view here. In summary it has offered to do the following;

- Refund all transactions which debited Mr L's account after the date of the large payment in December 2023, when Mr L thought his account was closed.
- Refund any payments debited to the online communications company from 13 September 2022 and refund any associated interest and pay £50 compensation in relation to the service failings.
- Pay £200 compensation for not closing the card when asked and not providing information to Mr L to allow him to do this.
- Refund any payments to the VPN merchant, the two online mail merchants and refund any related interest.
- Any negative credit markers associated with this card after the date of the large payment in December 2023 should be removed from Mr L's credit file.
- The dormant credit balance of £3,280.49 should be returned to Mr L. Also, due to the additional time this has taken, and the misinformation Mr L has been given, he should be paid £300 in compensation.

Mr L disagreed in part with our Investigator's view. He said our Investigator had said that he didn't have prior knowledge of the dormant credit balance but then he felt like the redress offered above penalised him as if he had knowledge of the balance by limiting redress to a much later point in time and not compensating him for the period those funds weren't available to him, such as when AMEX was aware the balance should've been returned to him.

I've considered Mr L's points here. But I agree with our Investigator that firstly AMEX has confirmed that no credit interest is paid on credit balances and that he was likely more than aware of the credit balance given that the payment was from an account he says he owned and to an account he held at AMEX. To be clear, I don't think it was AMEX's fault that Mr L wasn't made aware of the balance sooner. According to AMEX's system the account with the credit balance was enrolled for paperless notifications and it hadn't been told that the e-mail address it held for Mr L was incorrect. So, I can't reasonably ask if to add 8% simple interest per year to that credit balance to recognise the time Mr L has been without the funds. As a result, I think the above recommendations that our Investigator has provided – and AMEX has agreed to – is the fairest way to resolve this complaint.

I note that since our Investigator's view AMEX has said that it will refund the £3,280.49 credit balance upon receipt of the bank details of the account where the payment originally came from. AMEX also confirmed it could offer a cheque for the balance to be paid to Mr L. I think given there have been delays in providing the necessary information to satisfy AMEX's money laundering checks on the credit balance, the easiest way would be to provide Mr L with a cheque. Mr L has said he isn't sure if his bank provider can process cheques. But I can see from a recent e-mail the name of his banking provider at the time (and the one he asked AMEX to send the payment to via Faster Payment) and I'm sure they do accept cheques.

### **My final decision**

My final decision is that I uphold this complaint in part. American Express Services Europe Limited trading as American Express must do the following;

- Refund all transactions which debited Mr L's account after the date of the large payment in December 2023, when Mr L thought his account was closed.
- Refund any payments debited to the online communications company from 13 September 2022 and refund any associated interest and pay £50 compensation in relation to the service failings.
- Pay £200 compensation for not closing the card when asked and not providing information to a customer to allow them to do this.
- Refund any payments to the VPN merchant, the two online mail merchants and refund any related interest.
- Any negative credit markers associated with this card after the date of the large payment in December 2023 should be removed from Mr L's credit file.
- The dormant credit balance of £3,280.49 should be returned to Mr L. Also, due to the additional time this has taken, and the misinformation Mr L has been given, he should be paid £300 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 6 March 2026.

Mark Dobson  
**Ombudsman**