

The complaint

Ms H has complained about American Express Services Europe Limited (Amex)'s closure of her personal and business credit card accounts.

What happened

My provisional decision of 29 January 2025 set out the background to this complaint:

"In July 2020, Ms H opened a personal credit card account with Amex. Later that year, she also opened a business credit card account.

In July 2023, the business account fell into arrears. She contacted Amex as her business and personal accounts had been frozen. Amex told Ms H that her business and personal cards were linked to one account. In October 2023, Ms H told Amex her business was going to be sold or go into liquidation.

On 1 November 2023, Amex told Ms H it had cancelled her personal account and transferred it to an external debt collection agency.

Ms H had continued to make the minimum required payments to her personal account until November 2023, when the minimum payment was made a day late. No payment was received in December 2023.

In January 2024, Ms H made a partial payment that was less than the minimum required. This was the last payment Amex received, leaving an outstanding balance owed to it. Amex informed Ms H a different collections agency would be collecting the outstanding balance owed to it.

Ms H then complained that her personal account had been mis-sold. She made a separate complaint about her business account that was considered by our service.

Amex emailed Ms H in April 2025 to say it hadn't upheld her complaint about her personal account. Ms H referred this complaint to our service. One of our investigators reviewed the complaint but didn't uphold it. The investigator explained that Amex hadn't breached its terms and conditions.

Ms H didn't accept our investigator's opinion, saying Amex had failed to disclose her personal credit card account would be linked to her business credit card account. Ms H said she wasn't told she would be personally liable for the outstanding balance owed on the business account. So, this complaint was referred to me for a decision."

My provisional findings were:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

When referring her complaint to our service, Ms H asked our service to clear the entire business debt and reinstate her card. I've not considered Amex's actions in relation to the

business account, as a complaint about the business account was considered by another Ombudsman under a separate complaint reference. I've not commented on Ms H's complaints about her business account, including that she wasn't told she'd be personally liable for the outstanding balance owed on the business account.

Instead, I have focused only on Ms H's personal credit card account. Whilst I have considered the information submitted by all the relevant parties, and the legislation, rules and regulations Ms H has referred to, I won't be commenting on it all. I'll address only what I consider to be crucial to the outcome of this complaint. This isn't intended as a discourtesy to either party but reflects the informal nature of our service.

The terms and conditions of Ms H's personal account say that Amex may suspend her account if it reasonably thinks there's a significantly increased risk that she wouldn't be able to repay them. The terms also say Amex can end the agreement immediately if she continues to fail to pay minimum repayments on time or goes over her credit limit, or if she breaks another agreement she had with Amex.

Ms H has argued Amex's terms are unfair and, therefore, not enforceable. Ms H has referred to the Consumer Rights Act (CRA) 2015. It is important to explain the Financial Ombudsman Service is an informal alternative to the courts, and I have no power to determine whether a contract term is legally enforceable or not.

Ms H applied for her personal credit card online. I've seen nothing to suggest Amex recommended she take out this credit card or advised it was suitable for her needs. Instead, Amex was obliged to provide clear information about the terms of the credit card so Ms H could make an informed decision about whether the account was right for her. Having reviewed the terms and conditions outlined above, I think they are clear and explained the circumstances in which Amex might end the agreement.

Turning to the fairness of B's terms, Section 62 of the CRA sets out that a term of a contract is unfair if it causes a significant imbalance in the parties' rights and obligations under the contract to the detriment of the consumer. Schedule 2 of the CRA goes on to give examples of contract terms which may be regarded as unfair because a significant imbalance in the rights of the parties has been created.

Having reviewed Schedule 2, I cannot see that B's terms fall into any of the categories set out in the schedule. I've seen nothing to suggest the terms Ms H has complained about are unusual or unreasonable. The terms and conditions were available for Ms H to become acquainted with continuing with her application for her personal credit card. In taking out the account, Ms H then agreed to be bound by its terms and conditions.

Overall, I'm satisfied the terms and conditions of Ms H's personal account are relevant here. These say that Amex had the right to close her account immediately if it reasonably believed she wouldn't be able to repay them, or that she was in breach of another agreement with Amex. Ms H was in breach of the terms of her business credit card account, as she'd missed repayments. Her business also went into administration. So, I don't think it was unreasonable for Amex to conclude Ms H had breached one of her agreements with them and there was a significantly increased risk she wouldn't be able to repay them. So, I think the terms and conditions entitled Amex to suspend and then close Ms H's account.

I empathise with Ms H's circumstances. However, I think Amex was entitled to close her personal account and I don't think it breached any relevant rules or regulations in doing so. So, I am not minded to recommend it reopens her personal credit card account or pay her any compensation for its decision to close it."

Amex accepted my provisional decision but Ms H did not. She said it was unfair to isolate the personal account as it was closed because Amex relied on an alleged breach of another agreement. Ms H said she hadn't provided a personal guarantee for her business account. Finally, she said Amex's terms and conditions were unfair and onerous, and referred to case law she believes is relevant. She asked for a removal of adverse information recorded on her credit file, for Amex to not pursue her for the remaining outstanding balance or write the balance off.

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 provisional decision remains unchanged.

I was aware Ms H hadn't provided a personal guarantee for her business account. However, as I said in my provisional decision, I've not commented on Ms H's complaints about her business account, including that she wasn't told she'd be personally liable for the outstanding balance owed on the business account.

My provisional decision addressed Ms H's concerns about the fairness of Amex's terms and conditions in relation to her personal credit card account. So, I remain satisfied that satisfied the terms and conditions of her personal account are relevant here. For the reasons explained in my provisional decision, I think the terms and conditions entitled Amex to suspend and then close Ms H's account.

So, which I realise Ms H remains unhappy with Amex's actions, I don't think it made an error here that requires any action to put things right. So, I don't think it is reasonable to require Amex to write-off any of the outstanding balance owed on the personal credit card account or ask it to amend any information recorded on Ms H's credit file about the personal account.

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 Ms H to accept or reject my decision before 12 March 2026.

Victoria Blackwood
Ombudsman