

The complaint

Mr P is unhappy American Express Services Europe Limited closed his credit card account.

What happened

Mr P held a credit card account with American Express. In February 2025, American Express said it needed further information from Mr P as part of its ongoing Know Your Customer (KYC) procedures. American Express asked that Mr P upload part of his passport and suspended his account while this request was open.

Mr P was unhappy American Express had asked for a copy of his passport and was concerned how it may use this information. Mr P was also unhappy with how American Express requested this information, as he was first informed when trying to check his balance online, but wasn't able to access this, rather receiving a notification he had to provide details of his passport.

American Express apologised that Mr P hadn't been given notification in advance of his account being blocked. It also said as Mr P had asked why other forms of identification weren't acceptable, it would look to clarify this. American Express paid Mr P £75 to apologise for the inconvenience caused.

Hearing nothing further from American Express, Mr P referred his concerns to the Financial Ombudsman. One of our Investigator's looked into what happened. Our Investigator asked American Express further questions about why it required a copy of Mr P's passport. American Express explained that as part of its KYC process, a passport was the only acceptable form of identification.

American Express then explained its process had changed at the end of July 2025, meaning it was possible for a customer to complete these stages of KYC without providing a copy of their passport and other forms of identification would be acceptable, such as a driving licence.

American Express said it made Mr P aware of this change in policy, however as it didn't receive the information it required, proceeded to close his credit card account. As the matter remained unresolved, the complaint was then passed to me for a decision.

I previously issued my provisional findings on Mr P's complaint, which I've included below:

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

I've considered the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

American Express like all firms is required to have up to date records on its customers and this is achieved through ongoing KYC. This can mean asking for information about a

customer, even if they've held an account for a number of years. So, I haven't found American Express did anything wrong in asking Mr P for further information to fulfil its KYC obligations.

Similarly, it's for American Express to decide what information it requires from a customer. So, while I appreciate Mr P had concerns about American Express asking for a copy of his passport, this is something American Express was entitled to ask for, and it was for Mr P to decide whether he was happy to provide this information in order to maintain his account.

Therefore, had American Express kept its policies that it required a copy of Mr P's passport, it's unlikely I'd have concluded it had done anything wrong. Similarly, while I appreciate Mr P was likely frustrated to first be notified of this request when trying to access his account online, it's for American Express to decide how it requests this information and any restriction it might place on the account while such a request is open.

American Express has confirmed that when it requires KYC information it first makes a customer aware when they log into their account. It does this rather than sending out letters for example, as it finds it prompts a customer to engage with the KYC process – again this is a decision American Express is entitled to make. So, I haven't found American Express made an error in how it originally requested information from Mr P.

That being said, American Express amended its policy in July 2025, during the period Mr P was required to complete KYC, which meant it may have been possible for Mr P to complete the required checks without providing a copy of his passport.

American Express says Mr P was notified shortly after this change in policy, but I haven't seen persuasive evidence this was successfully delivered to Mr P. Mr P then spoke with American Express two weeks before the KYC deadline but wasn't informed of the policy change during these calls. On the day deadline to complete the KYC checks, Mr P was then told of the change in policy, however he explained he was abroad and wouldn't be able to complete the checks that day.

When speaking with the advisor, it appears Mr P was told that if he completed the checks in the next few days they could reactivate his account. However, when Mr P attempted to provide the required information a few days later was told his account has now been closed.

American Express has confirmed it isn't able to reinstate a credit card account once it's been closed and this isn't something I can force American Express to do. So, should Mr P wish to hold a credit card with American Express again he would need to submit a new application and complete any KYC requirements American Express may have.

I do however recognise this has been frustrating and put Mr P to inconvenience. While I haven't found American Express was unreasonable in asking for a copy of Mr P's passport and he was aware of the consequences of not providing this, had American Express provided a timelier update of its policy change Mr P may have then acted differently to maintain his account.

Similarly, when informed of the policy change, I think Mr P's expectations could have been better managed to make him aware that the deadline to complete KYC couldn't be extended.

I appreciate this will have been a frustrating experience and has put Mr P to inconvenience so it's reasonable American Express should pay compensation to recognise this. Therefore, as a fair resolution to the complaint, I think American Express should pay Mr P a further £225.

American Express responded to say it accepted my provisional findings. I didn't receive a response from Mr P by the set deadline. The complaint has therefore been passed back to me to decide.

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.

As I haven't received any further comments or evidence that would change my mind, I reach the same conclusions as set out in my provisional findings above.

Therefore, for the reasons explained, while I find American Express was entitled to request a copy of Mr P's passport it should have done more to make Mr P aware of its policy change and its service could have been better. While I can't say American Express must reopen Mr P's credit card account for the reasons previously given, I think it's fair that American Express pay Mr P a further £225 to acknowledge the errors in service.

My final decision

For the reasons given above, I uphold this complaint. To put things right, I direct American Express Services Europe Limited to pay Mr P a further £225 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 2 April 2026.

Christopher Convery
Ombudsman