

The complaint

Mrs J complains that American Express Services Europe Limited (AESEL) closed her account.

What happened

Mrs J held a credit card account with AESEL. In January 2023 AESEL wrote to Mrs J and advised her that it was reviewing the account. AESEL asked Mrs J to provide two months' worth of bank statements.

Mrs J supplied the documents as requested and AESEL completed the review. It subsequently wrote to Mrs J and advised her that it had made the decision to close the account. In its letter, AESEL said it had reasonable grounds to believe that Mrs J was unwilling or unable to pay her debts when due, which was a breach of the agreement. AESEL also said it would be terminating the agreement and that the account – which had a balance of £0.00 – may be passed to a debt collection agency.

Mrs J raised a complaint with AESEL. AESEL said the terms and conditions of the account allowed it to cancel the account for any reason. AESEL upheld the part of Mrs J's complaint which related to it having served a notice of default on a balance of £0.00 and acknowledged that the letter was worded incorrectly. AESEL refunded £41.40 which represented the rest of the annual fee.

Mrs J wasn't happy with the response and brought her complaint to this service.

Our investigator didn't uphold the complaint. They said the terms and conditions of the account allowed AESEL to close it for any reason.

Mrs J didn't agree. She said she believed the account had been closed because her husband had previously questioned a number of AESEL's decisions. She said that AESEL had never told her what she had done wrong to justify closing the account.

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.

I've reviewed the terms and conditions of the account. These state that AESEL can close the account at any time for any reason.

I've thought about whether AESEL made an error or treated Mrs J unfairly when it closed the account.

As I've said above, the terms and conditions allow AESEL to close the account. So I'm unable to say that AESEL has made an error or that it has acted in breach of the terms and conditions.

Mrs J has made the point that she doesn't know why the account was closed. She's

suggested that it was because her husband complained previously. AESEL don't have to provide a specific reason for closing an account, so I can't say that Mrs J has been treated unfairly simply because a reason hasn't been provided.

I understand that Mrs J feels very strongly about this and that she would like to know why the account was closed. I've reviewed the system notes and I can see that the decision to close the account was taken after a review of Mrs J's income. I appreciate that Mrs J doesn't agree with AESEL's decision to close her account but ultimately, it's up to AESEL who they offer accounts to. I would like to try and reassure Mrs J by saying that I haven't seen any evidence to suggest that the account was closed because of any complaint raised by Mrs J's husband.

I understand that Mrs J found the wording used in the account closure letter upsetting. AESEL has acknowledged that a notice of default shouldn't have been served on a balance of £0.00 and that the letter was worded incorrectly. AESEL has apologised for this, which I think was reasonable.

Taking everything into account, and whilst I understand Mrs J's desire to have the account reinstated, I'm unable to say that AESEL made an error or treated Mrs J unfairly when it closed the account. So I won't be asking it to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 26 February 2024.

Emma Davy
Ombudsman