

## **The complaint**

Mr R complains American Express Services Europe Limited (Amex) failed to properly inform him that his credit card account was being closed, affecting his accumulated reward points.

## **What happened**

Mr R says he has two credit card accounts with Amex, one he hasn't used for some period of time but held a considerable amount of reward points he'd earned over the preceding years. Mr R says he received a notification from Amex informing him it was closing this credit card account to protect him from fraud, but he only had 30 days in which to use the significant reward points he had accumulated.

Mr R says when he complained to say he hadn't been notified of this previously he was told it was detailed in the last two credit card statements he'd been sent. Mr R says on checking his statements these notifications were there but not prominently, and he doesn't tend to scrutinise his statements as his credit card account has been inactive for some time and simply kept open to maintain his accrued reward points. Mr R says he was forced into utilising the points within a 30-day period but not in the way he intended. Mr R felt Amex could have communicated this matter much more clearly and by other means and feels it should now as a gesture, pay him the equivalent of 10% of the points value which he estimates at £180.

Amex says it sent Mr R notifications via his monthly statements in August 2022 and September 2022 of the impending termination of his credit card account, due to inactivity unless he chose to use the card to make a purchase to stop this closure. Amex says this type of notification is in line with its terms and conditions. Amex says it also sent Mr R a letter on 7 October 2022 informing of the closure of the account and reminding him he had 30 days to utilise his accumulated reward points.

Amex says Mr R wasn't able to transfer these accumulated points to his other Amex card as this card operated under a different reward scheme, but he was able to transfer the reward points to a partner airline business club type account.

Mr R wasn't happy with Amex's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Amex had fairly and clearly informed Mr R of the credit card account closure and it had acted in line with its terms and conditions. The investigator felt Amex had given Mr R fair warning of the closure and that he had 30 days to make use of his accumulated reward points. The investigator didn't feel Amex needed to provide a separate form of notification of the proposed closure of his credit card account, as this was detailed in his monthly statements which was Mr R's responsibility to read.

Mr R didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

## **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 won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been frustrating for Mr R to learn the credit card account he held with Amex holding substantial reward points, was to be closed and he only had a limited period of time to use these.

When looking at this complaint I will consider if Amex gave Mr R clear and reasonable notice, it was closing his Amex reward point credit card account.

Mr R's complaint centres around the fact even though Amex had given notice of its intention to close his reward point credit card account in his monthly bank statements, these weren't clear and obvious and in any event as the card was dormant for some time he didn't scrutinise these monthly statements. Mr R believes Amex should have sent him a separate notification of its intended actions and because it hadn't, he was forced into utilising the points sooner than he wished and not in the manner he intended.

I understand the issues Mr R raises here but I'm not fully persuaded by his argument. I say this because I have seen the notifications that Mr R was sent within his monthly credit card statements in August 2022 and September 2022, and these notifications are printed in bold type and clearly explain what actions Mr R needed to take to avoid the account closure.

Mr R has implied that given the fact this credit card account hadn't been used for many months he didn't perhaps fully read them. While I understand this point, I can't hold Amex at fault for that as it does remain Mr R's responsibility to read all communications sent to him by Amex, relating to his credit card account with them. After all from time to time it's possible the terms of this credit card account may well change and it's important that Mr R is familiar with any such changes, as was the case here.

While I understand by the time Mr R had realised his credit card account was closing and that he only had 30 days to utilise the accumulated points he'd earned, my understanding is those points have been transferred to a partner airline business club account, so it's fair to say Mr R has still received some benefit here, albeit perhaps not how he may have originally intended to use them.

So, while Mr R feels Amex should have perhaps communicated this matter differently, for example a separate letter or email, that's not part of its process and this is in line with its terms and conditions. Although Mr R may not agree I can't tell Amex it must adapt or change its standard processes for this particular set of circumstances.

While Mr R will be disappointed with my decision, I won't be asking anymore of Amex.

## **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 R to accept or reject my decision before 6 September 2023.

Barry White  
**Ombudsman**