

The complaint

Mr T complains National Bank of Egypt (UK) Limited (NBE) unfairly closed his current accounts. He says this has prevented him receiving rental payments for properties he owns. He wants his accounts reopened and compensation.

What happened

Mr T held two current accounts in different currencies with National Bank of Egypt. In November 2022 he received two months' notice that his accounts would close. He asked for the accounts to remain open to receive rental payments. He also asked if this wasn't possible that he be given a year to make other arrangements. NBE declined his request.

Mr T complained to NBE. They rejected his complaint saying they were able to close his accounts and had acted in line with their terms and conditions. Unhappy with their response, Mr T brought his complaint to our service.

Our investigator didn't uphold Mr T's complaint. They concluded:

- NBE's account terms allowed them to close his accounts at any time. The terms allowed them to close the account with a minimum of two months' notice, which they had complied with.
- NBE didn't have to provide him with their reason for closing his accounts, but they had provided their reasons to our service, which we were treating in confidence. Having reviewed their reasons, NBE hadn't done anything wrong.
- Mr T wants a UK bank account and is having difficulty getting one due to not being a UK resident. But NBE didn't have to provide him with an account because of this.

Mr T rejected the outcome our investigator reached and asked for a final decision by an ombudsman. His complaint is now with me to make a final decision.

Mr T repeated why he needed the account and said by originally transferring money from his account abroad to buy a property in the United Kingdom he had lost out on a lucrative return. He further said the terms of the account only allowed NBE to close his accounts if they didn't have a reason, but he didn't agree to terms which allowed them to close them if they did have a reason. He repeated he wanted to know why they closed his accounts.

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 decided not to uphold Mr T's complaint. I'll explain why.

- NBE like many other banks and account providers have the commercial discretion to close customer accounts. The exercise of that discretion is broad, but it doesn't mean

they can act unlawfully or irrationally.

- Understandably, Mr T wants to know why his accounts closed, but NBE is under no current legal obligation to provide their reasons to him. So, I don't require them to tell him why they no longer wanted him as their customer.
- NBE needed to tell our service why they closed his accounts, and to show this was a genuine exercise of their discretion. They provided their reasons and supporting information which I have treated in confidence. I can treat information in confidence under the Dispute Resolution Rules (DISP 3.5.9(2)) which form part of the Financial Conduct Authority's regulatory handbook.

After carefully considering NBE's reasons and submissions, I'm satisfied it's of a nature which shows they closed Mr T's accounts legitimately. This doesn't mean Mr T did anything wrong, but the exercise of NBE's discretion didn't need to be based on him doing something wrong on his accounts to close them.

- Mr T says he didn't agree to terms which allowed NBE to close his accounts if they had a reason to close them. But I would naturally expect a bank to have a reason for closing an account, and the standard terms that applied to Mr T's accounts don't say they could only close his accounts if they didn't have a reason. Instead, they say NBE could close Mr T's accounts with a minimum of two months' notice. So, I don't find NBE having a reason to close his accounts breached their terms or shows they acted unlawfully.
- Mr T says he can't open another bank account in the UK due to not being a UK resident, and I understand it may be difficult to open a traditional bank account with a UK bank in these circumstances. But NBE weren't under an obligation to continue to provide him an account because he doesn't have another UK bank account.

Neither do I find NBE had to keep his account open to receive rental payments until such time that he found an alternative way to receive those payments. Instead, I find NBE gave him reasonable notice that his accounts would close in line with their terms and conditions.

I understand Mr T transferred money to purchase a property after he opened his accounts a long time ago, and he lost out on a lucrative deposit return. But this was Mr T's choice and not something for which NBE are responsible. I don't find they agreed to keep his account indefinitely so he could receive income or proceeds related to his property investment.

My final decision

My final decision is I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 6 March 2024.

Liam King
Ombudsman