

## **The complaint**

Mr F complains that personal information J.P. Morgan Europe Limited, trading as Chase, requested from him in relation to his bank account was unreasonable and intrusive.

## **What happened**

Mr F had a current account with Chase. In early 2024 Chase asked Mr F for some personal information to satisfy Financial Conduct Authority (FCA) regulations. He said Chase threatened that if the information wasn't provided then his access to the app would be removed, thus removing access to his account and funds. Mr F said he was happy to answer the majority of the questions, but he found the following unreasonable:

- What's your annual income before tax?
- What's your source of income?
- What year did you start working in your current job?

Mr F said the terms and conditions state Chase is entitled to ask for 'reasonable' items of personal information, but he considered these questions intrusive.

In its final response Chase said no banking error had occurred. It said it asked for this information because as a financial institution it is legally required to ensure that the information it holds is correct, accurate and up to date in accordance with regulatory guidelines, fraud prevention and anti-money laundering rules. It said this process is part of the FCA regulations and is mandatory. It said failure to provide the requested information would result in blocks being applied to the account.

Mr F brought his complaint to this service. He said he's been forced to move his financial affairs from Chase to another bank and this other bank hadn't asked him these same questions.

Our investigator concluded that Chase wasn't doing anything wrong by requesting the information it did. Mr F didn't agree and asked for a decision from an ombudsman.

## **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 realise this will come as a disappointment to Mr F but having done so I won't be asking Chase to do anything further, for the reasons outlined below.

I've seen a copy of Chase's account terms and conditions. In Section 14 it says:

*"Information exchange: If we make a reasonable request for information, you must give it to us as soon as possible. If you don't, or we suspect fraudulent or criminal activity, then:*

*we might try to get it from another source;*

*we could block or close your account(s); or  
you might not be able to access some banking services or keep banking with  
us.*

*You must make sure the information you give us is accurate and up to date and tell  
us if anything changes within 30 days (such as any email address or phone number  
you've given us)."*

I'm satisfied Chase was operating within its terms and conditions when it asked Mr F for information.

Chase said that as a financial institution this process is part of the FCA regulations and is mandatory. It said it is required to check that the details it has for the customer are up to date to verify the customer's identity and help keep their account safe. It said the questions it asks customers help to build a fuller picture of their finances, so it can better detect when there's unusual activity on an account. Chase explained that requesting this information allows it to satisfy FCA regulations.

Mr F said the information requested by Chase wasn't reasonable. In response to our investigator Mr F said Chase threatened to withdraw services, and potentially block access to many tens of thousands of pounds legally deposited with it because of him not wishing to provide new and hitherto unasked items of information – something, he said, that is not a legal requirement, merely a regulatory 'guideline'. He said it was an error that a UK bank is permitted to withdraw access to legally held funds with no proof of wrong doing, all because it decides to gather information from its customers that it unilaterally considers to be 'reasonable'. Mr F has subsequently moved banks and said his new bank hasn't asked the same questions

I've looked at the relevant FCA regulations. It's not my role to investigate Chase's processes. We are not the regulator, and we do not have a role in reviewing the adequacy of a business's processes, in this case the process Chase uses to ensure it is adhering to its regulatory responsibilities. My role is to decide if Chase has acted fairly and reasonably when applying its processes and in this case I'm satisfied it has. What information would be considered "reasonable" is dependent on what the information would be used for. Chase has its own process or system to ensure its meeting its regulatory requirements. This system may require different information to other banks. So information required by one may not be required by another. But I do consider it reasonable for a bank to ask questions which allow it to better understand its customers to be able to identify unusual activity. And I'm persuaded the three questions asked do that. I'm satisfied that the information requested was reasonable.

Mr F told this service that he was able to 'cheat' the system by entering incorrect information. He said Chase's system allowed him to enter incorrect information, which a cursory examination would reveal to be false. One of the reasons for asking the questions is to increase the security of the account. Mr F agreed to abide by the terms and conditions which require him to provide correct and accurate information. And it would also be in his interests to provide correct information so that his account remains safe and so he passes future security protocols. It's not for me to comment on how or when Chase might identify incorrect information but on doing so it would be within its rights to block access or close the account.

Mr F has said he's been forced to move his financial affairs from Chase to another bank. I don't agree that he's been forced to move his banking. He had a choice to provide the information requested and chose not to. He was within his rights to do that but by doing so Chase was also within its rights to remove access to the account or close it, as per the terms and conditions.

**My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 4 November 2024.

Maxine Sutton  
**Ombudsman**