

## **The complaint**

Mr L complains that J.P. Morgan Europe Limited blocked his accounts without providing an explanation and without good reason.

## **What happened**

Mr L held a number of accounts with Chase. Each had a very low balance and all but one appear to have had minimal activity at the relevant time.

On 23 May 2024 Chase blocked the accounts. Mr L complained to Chase. It said that it had acted fairly and in line with the account terms and its legal and regulatory obligations. It nevertheless paid Mr L £25 in recognition of the inconvenience to which he had been put and the distress he had suffered.

Mr L remained unhappy and referred the matter to this service. On 30 July 2024 the accounts were closed and the funds in them were sent to Mr L.

One of our investigators sought further information from Chase about why it had acted as it did. Chase explained that it had concerns about the operation of the accounts and provided some evidence – primarily by way of copy bank statements – which it said supported its position.

The investigator asked for further information and evidence, but received very little. He reminded Chase that, if evidence wasn't provided, our rules allowed him to assess a complaint on the basis of what evidence he did have. Having done so, he then went on to issue an assessment in which he concluded that Chase had not treated Mr L fairly. He recommended that Chase pay Mr L £200 and remove any CIFAS marker which it may have registered against his name.

Mr L did not accept the investigator's assessment, although he pressed the investigator to tell him when he could expect payment. Chase did not accept the assessment either, but did not provide the further information the investigator had requested. The case was therefore passed to me for further consideration.

## **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.

Banks are under certain legal and regulatory obligations to understand their customers and their finances, as well as how they operate their accounts. They may therefore need to investigate accounts and will very often need to restrict them while that happens. In many cases they will not be able to discuss the actions they are taking with their customers. I note that Chase's account terms expressly allowed for account reviews and restrictions.

Chase has said in general terms what its concerns were. I cannot tell Mr L about them, but I think they were concerns which would justify Chase taking the actions it did. However,

despite the investigator's quite specific requests for information – which could have been provided in confidence, as our rules allow – Chase has not in my view shown that its concerns were legitimate. The evidence which Chase has provided does not support its description of them.

Mr L has said that he has not been able to open an alternative account. Chase has not said whether it has loaded a marker with CIFAS, the UK's fraud alert service, but that might be the reason for Mr L's difficulty. As a precaution, the investigator recommended that Chase remove any such marker, and I shall do the same.

### **My final decision**

For these reasons, my final decision is that, to resolve Mr L's complaint in full, J.P. Morgan Europe Limited should pay Mr L £200 and remove any CIFAS loadings it may have made against his name.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 19 March 2025.

Mike Ingram

**Ombudsman**